

METSIMAHOLO LOCAL MUNICIPALITY

FS204



MID-YEAR BUDGET AND PERFORMANCE

ASSESSMENT REPORT

31 DECEMBER 2022

No.	Table of Contents	Page No.
1	Legislative Framework	3
	Part 1 In - Year Report	
2	Mayor's Report	5
3	Resolutions	7
4	Executive Summary	8
5	In-Year budget statement tables	8
5.1	Table C1 Monthly Budget Statement Summary	8
5.1.1	Table C4 Monthly Budget Statement - Financial Performance (Revenue)	9
5.1.2	Table C4 Monthly Budget Statement - Financial Performance (Expenditure)	14
5.2	Table C2 Monthly Budget Statement - Financial Performance (functional classification)	16
5.3	Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote)	18
5.4	Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding)	19
5.5	Table C6 Monthly Budget Statement - Financial Position	22
5.6	Table C7 Monthly Budget Statement - Cash Flow	24
	Supporting Documentation	
6	Debtors' Analysis	26
7	Creditors' Analysis	38
8	Investment Portfolio analysis	39
9	Allocation and grant receipts and expenditure	40
10	Councillor allowances and employee benefits	42
11	Material variances to the service delivery and budget implementation plan	48
12	Capital programme performance	50
13	Mid-year Performance Assessment	62
14	Progress regarding the 2021/22 Annual Draft Report	62
15	Quality Certificate	63

1. Legislative Framework

This report has been prepared in terms of the following enabling legislation:

Municipal Finance Management Act, No. 56 of 2003

Section 72: Mid-year budget and performance assessment

72. (1) The accounting officer of a municipality must by 25 January of each year—
(a) assess the performance of the municipality during the first half of the financial year, taking into account—

- (i) the monthly statements referred to in section 71 for the first half of the financial year;
- (ii) the municipality's service delivery performance during the first half of the financial year, and the service delivery targets and performance indicators set in the service delivery and budget implementation plan;
- (iii) the past year's annual report, and progress on resolving problems identified in the annual report; and
- (iv) the performance of every municipal entity under the sole or shared control of the municipality, taking into account reports in terms of section 88 from any such entities; and

(b) submit a report on such assessment to—

- (i) the mayor of the municipality;
- (ii) the National Treasury; and
- (iii) the relevant provincial treasury.

72. (2) The statement referred to in section 71(1) for the sixth month of a financial year may be incorporated into the report referred to in subsection (1)(b) of this section.

72. (3) The accounting officer must, as part of the review—

- (a) make recommendations as to whether an adjustments budget is necessary; and
- (b) recommend revised projections for revenue and expenditure to the extent that this may be necessary.

Section 54: Budgetary control and early identification of financial problems

54. (1) On receipt of a statement or report submitted by the accounting officer of the municipality in terms of section 71 or 72, the mayor must—

- (a) consider the statement or report;
- (b) check whether the municipality's approved budget is implemented in accordance with the service delivery and budget implementation plan;
- (c) consider and, if necessary, make any revisions to the service delivery and budget implementation plan, provided that revisions to the service delivery targets and performance indicators in the plan may only be made with the approval of the council following approval of an adjustments budget;
- (d) issue any appropriate instructions to the accounting officer to ensure—
 - (i) that the budget is implemented in accordance with the service delivery and budget implementation plan; and

- (ii) that spending of funds and revenue collection proceed in accordance with the budget;
 - (e) identify any financial problems facing the municipality, including any emerging or impending financial problems; and
 - (f) in the case of a section 72 report, submit the report to the council by 31 January of each year.
- (2) If the municipality faces any serious financial problems, the mayor must—
- (a) promptly respond to and initiate any remedial or corrective steps proposed by the accounting officer to deal with such problems, which may include—
 - (i) steps to reduce spending when revenue is anticipated to be less than projected in the municipality's approved budget;
 - (ii) the tabling of an adjustments budget; or
 - (iii) steps in terms of Chapter 13; and
 - (b) alert the council and the MEC for local government in the province to those problems.
- (3) The mayor must ensure that any revisions of the service delivery and budget implementation plan are made public promptly.

Municipal Finance Management Act, No. 56 of 2003
Municipal Budgeting and Reporting Regulation Notice 393 of 2009

Section 33: Format of a mid-year budget and performance assessment

33. A mid-year budget and performance assessment of a municipality referred to in section 72 of the Act must be in the format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines issued by the Minister in terms of section 168(1) of the Act.

Section 34: Publication of mid-year budget and performance assessments

34. (1) Within five working days of 25 January each year the municipal manager must make the mid-year budget and performance assessment public by placing it on the municipal website.
34. (2) The municipal manager must make public any other information that the municipal council considers appropriate to facilitate public awareness of the mid-year budget and performance assessment, including –
- (a) Summaries in alternate languages predominant in the community; and
 - (b) Information relevant to each ward in the municipality

Section 35: Submission of mid-year budget and performance assessments

35. The municipal manager must submit to the National Treasury and the relevant provincial treasury, in both printed and electronic form –
- (a) the mid-year budget and performance assessment by 25 January of each year, and
 - (b) any other information relating to the mid-year budget and performance assessment as may be required by the National Treasury.

PART 1: Mid-year Budget and performance assessment

This report has been prepared in terms of the Local Government: Municipal Finance Management Act, No. 56 of 2003: Municipal Budget and reporting Regulations, Government Gazette 32141, 17 April 2009.

2. Executive Mayor's Report

In terms of section 72 (1) (a) and 52 (d) of the Local Government: Municipal Finance Management Act No. 56 of 2003 (MFMA), the Accounting Officer must by 25 January of each year assess the performance of the municipality during the first half of the financial year. A report of such assessment must in terms of section 72 (1) (b) of the Local Government: Municipal Finance Management Act No. 56 of 2003 be submitted to the Executive Mayor, Provincial Treasury and National Treasury.

Once the Mayor has considered the section 72 report, such a report must be submitted to council by the 31 January each year as required in terms of section 54 (f) of the Local Government: Municipal Finance Management Act No. 56 of 2003. The mid-year budget and performance assessment report and supporting tables of Metsimaholo Local Municipality, was also prepared in accordance with the requirements of MFMA and the Municipal Budget and Reporting Regulations.

In order to achieve our goals as set out in our Integrated Development Plan we have to strive for institutional excellence through institutional re-engineering, effective leadership and effective long term development planning. Although there has been significant progress made towards realization of the set performance objectives for the period under review, there are however still a number of challenges that needs to be overcome and these include the following dominant challenges:

- State of our infrastructure backlogs and the need to upgrade the existing infrastructure (roads, sewerage, electricity and water)
- Ensuring sustainable service delivery by securing our infrastructures (cable theft, pumpstation vandalism);
- Critical vacancies that exist in different departments;
- Undesirable Audit Opinions from the Auditor-General;
- Revenue losses due to aging water and electricity infrastructure, theft or illegal connections electricity and distribution losses;
- Institutional transformation (National Treasury Reforms)

All of these challenges are continually having a negative bearing on the overall performance of the municipality.

However, pro-active measures have already been instituted to effectively deal with these challenges. These includes, development of strategic goal, sourcing fund through DBSA for infrastructure upgrade or development, revenue protection mechanism, meter audits and installation.

Review of the organizational structure and implementation of effective HR management to ensure that adequate and sufficiently skilled resources are in place and that performance is monitored.

We believe that having filled all senior managers position will assist the administrative wing of the municipality in effectively exercising adequate and sound financial management of the municipality, compliance with financial management norms and standards as well as other aspects of performance reporting.

In conclusion, I am confident that the mid-term performance results as contained in this report sets a tone for overall improved institutional performance results for this financial year and based on these results and the outlook of the remaining term of this financial year.

Councilor Jeff Zwane
Executive Mayor

3. Resolutions

**FOR
ATTENTION**

1. That the Mid-Term Budget and Performance Assessment Report be noted and accepted
2. That the Medium-Term Revenue and Expenditure Framework Budget (MTREF) Adjustment in terms of MFMA Section 28 to be submitted to Council for consideration
3. That the Service Delivery and Budget Implementation Plans (SDBIP) to be submitted to Council for consideration

Council

Council
MM
CFO

Council
MM
PMS
Manager

4. Executive Summary

The purpose of this report is to ensure legislative compliance and also to facilitate accountability to the Metsimaholo Local Municipality Council against the targets that we have set for ourselves for the period 2022/23.

This report is prepared in compliance with Section 72 the Municipal Finance Management Act, 56 of 2003 (MFMFA), the purpose of which is to facilitate accountability by the Municipal Manager and his Executive Management Team to the municipal council, over the performance of the municipality for the first six months of 2022/2023 financial year.

It must be noted that in all instance where the tables contained within this report includes the audited outcomes for 2021/22.

5. In-Year budget statement tables

5.1. Monthly Budget Summary

FS204 Metsimaholo - Table C1 Monthly Budget Statement Summary - M06 December									
Description	2021/22	Budget Year 2022/23							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands									
Financial Performance									
Property rates	211 196	194 330	194 330	17 148	106 798	97 165	9 633	10%	194 330
Service charges	882 461	1 121 829	1 121 829	83 747	441 352	560 914	(119 563)	-21%	1 121 829
Investment revenue	5 160	3 000	3 000	735	4 297	1 500	2 797	186%	3 000
Transfers and subsidies	236 230	254 009	254 009	80 002	183 418	127 004	56 414	44%	254 009
Other own revenue	95 233	100 417	100 417	10 587	50 808	50 208	600	1%	100 417
Total Revenue (excluding capital transfers and contributions)	1 430 281	1 673 585	1 673 585	192 219	786 673	836 792	(50 119)	-6%	1 673 585
Employee costs	335 632	434 807	434 807	27 704	170 790	217 405	(46 616)	-21%	434 807
Remuneration of Councillors	19 384	20 870	20 870	1 662	9 957	10 435	(478)	-5%	20 870
Depreciation & asset impairment	72 789	86 279	86 279	–	–	43 140	(43 140)	-100%	86 279
Finance charges	9 354	5 816	5 816	–	2	2 908	(2 906)	-100%	5 816
Inventory consumed and bulk purchases	552 065	599 640	599 903	47 021	248 932	299 908	(50 976)	-17%	599 903
Transfers and subsidies	334	378	378	–	28	189	(161)	-85%	378
Other expenditure	484 432	499 139	503 816	36 766	206 588	250 189	(43 601)	-17%	503 816
Total Expenditure	1 473 990	1 646 928	1 651 869	113 153	636 296	824 174	(187 878)	-23%	1 651 869
Surplus/(Deficit)	(43 709)	26 656	21 715	79 066	150 377	12 618	137 758	1092%	21 715
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)	77 712	106 165	106 165	20 455	37 779	53 083	(15 304)	-29%	106 165
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions) & Transfers and subsidies - capital (in-kind - all)	97 593	50 000	50 000	8 962	28 656	25 000	3 656	15%	50 000

Metsimaholo Local Municipality Mid-Year Budget and Performance Assessment Report

Surplus/(Deficit) after capital transfers & contributions	131 596	182 821	177 880	108 483	216 811	90 701	126 110	139%	177 880
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	131 596	182 821	177 880	108 483	216 811	90 701	126 110	139%	177 880
<u>Capital expenditure & funds sources</u>									
Capital expenditure	157 894	309 640	310 752	28 432	64 598	154 991	(90 393)	-58%	310 752
Capital transfers recognised	154 451	156 165	157 165	28 432	63 106	78 225	(15 120)	-19%	157 165
Borrowing	–	77 504	77 504	–	–	38 752	(38 752)	-100%	77 504
Internally generated funds	3 443	75 971	76 083	–	1 492	38 014	(36 521)	-96%	76 083
Total sources of capital funds	157 894	309 640	310 752	28 432	64 598	154 991	(90 393)	-58%	310 752
<u>Financial position</u>									
Total current assets	2 918 561	1 181 856	1 181 856		1 624 518				1 181 856
Total non current assets	1 566 730	1 825 346	1 826 458		1 631 328				1 826 458
Total current liabilities	1 288 039	998 394	998 394		1 280 225				998 394
Total non current liabilities	140 603	237 284	237 284		140 603				237 284
Community wealth/Equity	1 621 096	1 588 702	1 588 702		1 835 017				1 588 702
<u>Cash flows</u>									
Net cash from (used) operating	(63 229)	286 179	286 179	46 016	555 705	143 089	(412 615)	-288%	286 179
Net cash from (used) investing	(156 084)	(311 450)	(309 640)	(28 432)	(62 743)	(154 797)	(92 055)	59%	(309 595)
Net cash from (used) financing	(493)	53 036	53 036	–	(38)	26 518	26 556	100%	53 036
Cash/cash equivalents at the month/year end	(168 831)	93 793	95 603	–	630 476	80 838	(549 638)	-680%	167 172
Debtors & creditors analysis	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total
<u>Debtors Age Analysis</u>									
Total By Income Source	176 912	60 988	58 404	53 523	50 126	53 351	245 881	1 936 388	2 635 573
<u>Creditors Age Analysis</u>									
Total Creditors	3 426	3 011	1 059	4 495	46 953	–	–	–	58 943

The budget analysis on material variation is provided in the tables below:

5.1.2. Operating revenue

FS204 Metsimaholo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
<u>Revenue By Source</u>									
Property rates		211 196	194 330	194 330	17 148	106 798	97 165	9 633	10%
Service charges - electricity revenue		328 954	457 451	457 451	28 755	170 379	228 725	(58 346)	-26%
Service charges - water revenue		443 254	531 359	531 359	44 784	218 708	265 680	(46 972)	-18%
Service charges - sanitation revenue		68 294	88 780	88 780	6 452	29 701	44 390	(14 689)	-33%
Service charges - refuse revenue		41 960	44 239	44 239	3 756	22 564	22 119	444	2%
Rental of facilities and equipment		6 691	6 319	6 319	524	3 271	3 159	112	4%
Interest earned - external investments		5 160	3 000	3 000	735	4 297	1 500	2 797	186%

Interest earned - outstanding debtors	61 222	52 400	52 400	8 402	43 086	26 200	16 886	64%
Dividends received	123	100	100	–	–	50	(50)	-100%
Fines, penalties and forfeits	4 285	13 600	13 600	13	196	6 800	(6 604)	-97%
Licences and permits	15	105	105	–	3	53	(49)	-94%
Transfers and subsidies	236 230	254 009	254 009	80 002	183 418	127 004	56 414	44%
Other revenue	7 161	27 893	27 893	1 649	4 252	13 947	(9 695)	-70%
Gains	15 736	–	–	–	–	–	–	–
Total Revenue (excluding capital transfers and contributions)	1 430 281	1 673 585	1 673 585	192 219	786 673	836 792	(50 119)	-6%

- Revenue for the period is on average 6% under budget.
- The property rates on farmland is billed in July 2022 for the full year.
- The budget performance on the following services are below acceptable percentage, which is concerning, Electricity (-26), Water (-18) and Sanitation (-33), (see Table C4 – Financial Performance above).
- The following are the reasons impacting on the under performance of the above services:
 - Electricity under billed due to demand meter (MVA) not read in Zamdela and Deneysville, also bulk faulty meter not replaced.
 - Prepaid electricity sales not all payments processed
 - Water consumption is low due to denied access (locked gates) to household and backlog for meter capturing due to staff shortage, therefore, billing on estimates,
 - Sanitation adjustment on Natref

5.1.2.1. Revenue collection

Table A: Summary of collection rates

Collection	Excluding prepaid	Including prepaid
For the month	58,65%	78.17%
November 2022 levies received in December 2022		
Year to date	63,93%	85.59%
Collection rate from the period 01 July 2022 to 31 December 2022		

Calculation of payment rate

- The average payment rate is calculated by expressing as a percentage: Payments received in the month following the month in which levies were raised, **and** the levies raised for the month
- This calculation **does not include prepaid electricity** – as the payment rate on this is 100%, by virtue of it being prepaid.
- The average payment rate can exceed 100% which indicates that arrears have also been collected.

Table B: Year to date - Collection / Payment rates: (excluding prepaid electricity)

TOWN / AREA	LEVIES	PAYMENTS	PAYMENT
	R' 000	R' 000	RATE
Sasolburg	360 380	335 176	93,01%
Zamdela	143 604	10 465	7,29%
Deneysville	17 272	8 089	46,83%
Refengkgotso	22 241	144	0,65%
Oranjeville	4 903	2 775	56,60%
Metsimaholo	8 673	27	0,31%
Sundry Debtors	1406	382	27,17%
Metsimaholo Local Municipality	558 479	357 058	63,93%

Table C: Monthly - Collection / Payment rates for December 2022: (excluding prepaid electricity)

TOWN / AREA	LEVIES	PAYMENTS	PAYMENT
	Nov 22	Dec 22	RATE
	R' 000	R' 000	
Sasolburg	61 485	53 302	86,69%
Zamdela	25 325	1 443	5,70%
Deneysville	2 978	1 332	44,73%
Refengkgotso	3 931	24	0,61%
Oranjeville	824	443	53,76%
Metsimaholo	1 653	2	0,12%
Sundry Debtors	284	43	15,14%
Metsimaholo Local Municipality	96 480	56 589	58,65%

- The levies represent all the amounts billed, including indigent accounts, but excluding prepaid electricity sales
- The levied amount is net of the free basic amount.
- The payment amount does not include the indigent subsidy, as the free basic services are deducted from the levies.
- If the free basic services amounts are included in the levies and in the payments, the payment level will be slightly higher
- If prepaid electricity sales are included in the levies and in the payments, the payment level will be slightly higher.

Table D: Payment rate per ward – for the month
(Taking into account free basic services to indigents)

Ward	Sum of Movement November 2022	Sum of RECEIPTS December 2022	Percentage
1	2 369 464,97	- 316 396,32	13,35%
2	1 347 948,40	- 60 335,12	4,48%
3	1 682 827,95	- 10 567,88	0,63%
4	1 109 963,72	- 2 558,39	0,23%
5	2 989 001,43	- 761 924,51	25,49%
6	1 949 663,33	- 13 469,14	0,69%
7	1 392 767,39	- 161 422,36	11,59%
8	2 658 492,59	- 86 055,10	3,24%
9	2 535 738,31	- 197 002,85	7,77%
10	2 709 478,21	- 404 404,80	14,93%
11	1 205 410,84	- 130 751,38	10,85%
12	920 601,00	- 98 339,49	10,68%
13	3 069 532,00	- 74 145,60	2,42%
14	11 321 275,46	- 9 987 745,27	88,22%
15	1 738 875,72	- 1 189 949,65	68,43%
16	9 095 121,40	- 5 087 507,06	55,94%
17	29 091 016,93	- 29 391 567,53	101,03%
18	6 947 731,20	- 5 955 691,88	85,72%
19	4 199 288,64	- 119 106,43	2,84%
20	3 864 165,39	- 1 343 589,27	34,77%
21	1 327 382,09	- 33 272,88	2,51%

*Included industrial areas such as NATREF, SASOL, NALEDI

Table E: Payments rates per ward – Year to date
(Taking into account free basic services to indigents)

Ward	Sum of Movement November 2022	Sum of RECEIPTS December 2022	Percentage
1	13 825 436,21	- 1 729 359,71	12,51%
2	7 324 240,02	- 290 981,11	3,97%
3	11 052 681,19	- 87 791,06	0,79%
4	6 657 355,32	- 19 307,60	0,29%
5	16 868 031,63	- 4 694 153,06	27,83%
6	12 650 971,61	- 122 701,88	0,97%
7	8 325 248,45	- 794 798,01	9,55%
8	13 920 605,20	- 621 050,04	4,46%
9	15 861 625,52	- 870 267,90	5,49%
10	25 354 649,66	- 5 391 853,76	21,27%
11	6 543 561,24	- 898 493,00	13,73%
12	5 325 569,88	- 429 242,47	8,06%

13	19 741 170,67	- 569 111,86	2,88%
14	72 071 056,62	- 64 701 490,88	89,77%
15	10 262 838,75	- 7 278 648,11	70,92%
16	41 456 945,46	- 30 609 373,48	73,83%
17	147 137 712,70	- 182 927 156,52	124,32%
18	48 226 199,19	- 34 920 235,12	72,41%
19	31 939 778,05	- 517 435,49	1,62%
20	20 142 272,32	- 8 424 673,08	41,83%
21	7 803 694,41	- 1 280 909,05	16,41%

* Included industrial areas such as NATREF, SASOL, NALEDI

5.1.2.2. Distribution losses

The norms are set by National Treasury as per MFMA Circular 71- **Uniform Ratios and Norms (January 2014) paragraph B –Distribution losses**

- o The **Electricity Distribution Loss of 9.08% (YTD)** is **within** the acceptable threshold, the acceptable norm is between 7% and 10%

(The loss for the 2021/2022 financial year was 16.50%)

- o The **Water Distribution Loss of 3.37% (YTD)** is **below** the acceptable norm, the acceptable norm is between 15% and 30%.

(The loss for the 2021/2022 financial year was 9.13%)

	Purchased kl/kWh	Sold kl/kWh	(Loss)/ Gain %	(Loss)/Gain at cost Rand value
December (Month)				
Water (Kilolitre)	1 612 695	1,288,110	(20.13)	R 3 465 232
Electricity (kWh)	14,676,023	14,319,065	2.43	R 200 646
Year to date				
Water (Kilolitre)	9,523,958	9,202,757	(3.37)	R 3 429 109
Electricity (kWh)	100,644,608	91,502,482	(9.08)	R7 737 253

The electricity losses are indicative of electricity theft, bridging of meters and aging infrastructure that needs to be investigated and upgraded by the technical department.

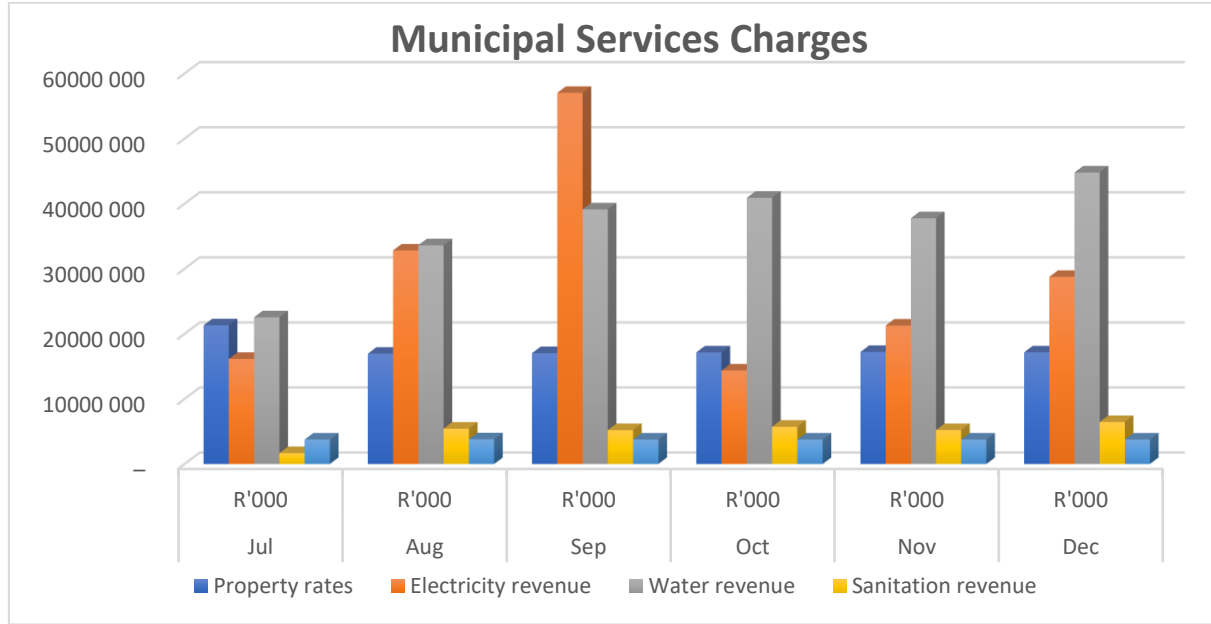
Also the fact that meter readings were also not taken in all areas.

Water losses also arise as a result of unmetered water at informal stands, calculated on average at 20kl per household:

- Themba Kubheka is 50 000kl per month
- Zamdela is 60 580kl per month.

Taking this 110 580 kl per month of unmetered water into account, the unaccounted for water loss will reduce further.

5.1.1.3. Revenue Chart

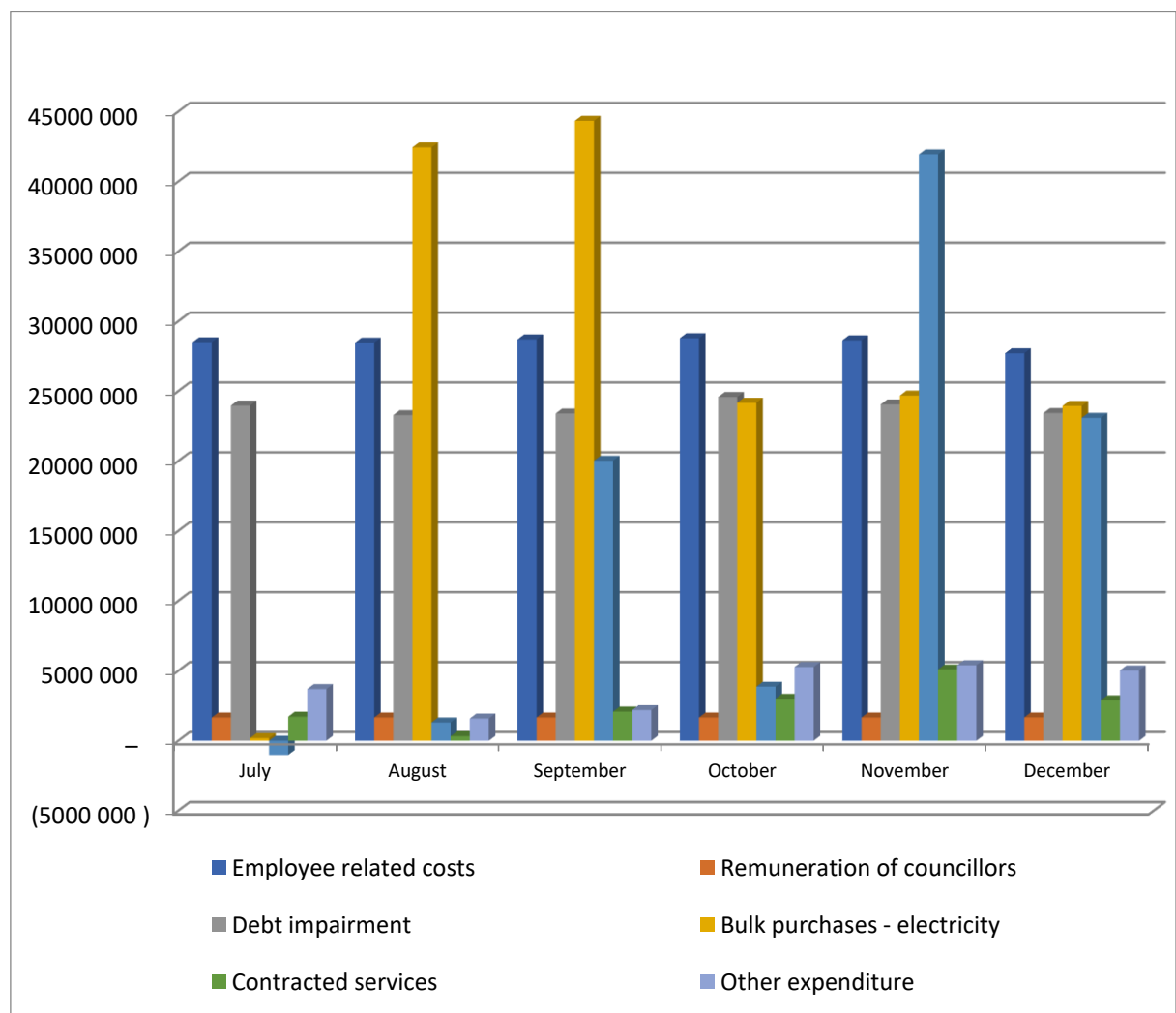


5.1.2. Operating expenditure

FS204 Metsimaholo - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
<u>Expenditure By Type</u>	-								
Employee related costs		335 632	434 807	434 807	27 704	170 790	217 405	(46 616)	-21%
Remuneration of councillors		19 384	20 870	20 870	1 662	9 957	10 435	(478)	-5%
Debt impairment		358 572	285 690	285 690	23 427	142 682	142 845	(163)	0%
Depreciation & asset impairment		72 789	86 279	86 279	–	–	43 140	(43 140)	-100%
Finance charges		9 354	5 816	5 816	–	2	2 908	(2 906)	-100%
Bulk purchases - electricity		333 806	363 153	363 153	23 938	159 743	181 577	(21 834)	-12%
Inventory consumed		218 260	236 487	236 750	23 083	89 189	118 331	(29 143)	-25%
Contracted services		74 647	119 231	121 418	2 893	15 106	59 771	(44 666)	-75%
Transfers and subsidies		334	378	378	–	28	189	(161)	-85%
Other expenditure		49 703	61 871	64 362	5 024	23 155	31 399	(8 244)	-26%
Losses		1 509	32 346	32 346	5 422	25 644	16 173	9 471	59%
Total Expenditure		1 473 990	1 646 928	1 651 869	113 153	636 296	824 174	(187 878)	-23%

- o Operating expenditure for the period is 23% below budget.
- o Invoices for payment of expenditure not submitted on time.
- o Bulk purchases for December 2022 are not recorded as it is payable at the end of January 2023,
- o Outstanding invoices from service providers are submitted on time for capturing,
- o Debt impairment, the analysis for debt impairment is performed at year-end and subject to council consideration, therefore, the expenditure is only recorded at the year end,
- o Depreciation and assets impairment, the provision and accounting for depreciation on a monthly basis is not linked to the main financial management system, therefore, the expenditure is recorded at year end

5.1.2.1. Expenditure Chart



5.2. Monthly Budget Statement – Financial Performance (Functional classifications)

[illegible]

Metsimaholo Local Municipality Mid-Year Budget and Performance Assessment Report

Expenditure - Functional Governance and administration	-	237 019	201 984	203 925	19 908	109 353	101 271	8 082	8%	203 925
Executive and council		46 565	50 402	50 417	4 144	25 678	25 207	471	2%	50 417
Finance and administration		187 532	151 041	152 982	15 425	82 158	75 799	6 359	8%	152 982
Internal audit		2 922	541	526	338	1 518	266	1 252	471%	526
Community and public safety		161 505	188 322	188 322	10 746	71 704	94 162	(22 458)	-24%	188 322
Community and social services		4 512	7 314	7 314	289	1 727	3 657	(1 930)	-53%	7 314
Sport and recreation		33 639	47 005	47 005	2 271	15 316	23 503	(8 187)	-35%	47 005
Public safety		48 893	60 882	60 882	3 456	22 860	30 441	(7 581)	-25%	60 882
Housing		74 461	73 122	73 122	4 729	31 801	36 561	(4 760)	-13%	73 122
Health		-	-	-	-	-	-	-		-
Economic and environmental services		66 840	86 055	86 055	3 051	18 635	43 028	(24 393)	-57%	86 055
Planning and development		14 748	22 503	22 503	1 112	7 218	11 252	(4 034)	-36%	22 503
Road transport		52 092	63 553	63 553	1 939	11 418	31 776	(20 359)	-64%	63 553
Environmental protection		-	-	-	-	-	-	-		-
Trading services		1 004 764	1 164 379	1 167 379	79 144	434 569	582 619	(148 050)	-25%	1 167 379
Energy sources		412 779	509 851	512 851	30 783	204 913	255 354	(50 441)	-20%	512 851
Water management		462 521	478 175	478 175	41 331	183 921	239 088	(55 167)	-23%	478 175
Waste water management		61 278	101 526	101 526	3 344	18 746	50 763	(32 017)	-63%	101 526
Waste management		68 186	74 827	74 827	3 686	26 989	37 414	(10 425)	-28%	74 827
Other		3 862	6 188	6 188	305	2 034	3 094	(1 059)	-34%	6 188
Total Expenditure - Functional	3	1 473 990	1 646 928	1 651 869	113 153	636 296	824 174	(187 878)	-23%	1 651 869
Surplus/ (Deficit) for the year		131 596	182 821	177 880	108 483	216 811	90 701	126 110	139%	177 880

5.3. Monthly Budget Statement – Financial Performance (revenue and expenditure by municipal vote)

FS204 Metsimaholo - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - M06 December									
Vote Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
<u>Revenue by Vote</u>	1								
Vote 01 - Executive & Council		–	–	–	–	–	–	–	
Vote 02 - Municipal Manager		3 320	3 138	3 138	320	1 174	1 569	(395)	-25,2%
Vote 03 - Corporate Services		807	758	758	242	433	379	54	14,1%
Vote 04 - Social Services		80 808	89 678	89 678	6 256	34 985	44 839	(9 853)	-22,0%
Vote 05 - Technical Services		1 094 618	1 312 586	1 312 586	117 857	528 531	656 293	(127 762)	-19,5%
Vote 06 - Financial Services		418 336	396 361	396 361	96 363	284 203	198 181	86 022	43,4%
Vote 07 - Local Economic Development And Planning		7 698	27 229	27 229	599	3 781	13 615	(9 833)	-72,2%
Total Revenue by Vote	2	1 605 586	1 829 750	1 829 750	221 636	853 107	914 875	(61 767)	-6,8%
<u>Expenditure by Vote</u>	1								
Vote 01 - Executive & Council		41 019	48 246	48 246	3 435	21 450	24 124	(2 673)	-11,1%
Vote 02 - Municipal Manager		61 046	84 598	84 598	5 149	26 737	42 299	(15 562)	-36,8%
Vote 03 - Corporate Services		43 258	57 844	57 844	2 776	18 686	28 923	(10 237)	-35,4%
Vote 04 - Social Services		156 365	188 305	188 305	9 901	68 010	94 154	(26 144)	-27,8%
Vote 05 - Technical Services		1 008 329	1 073 580	1 076 580	78 952	430 441	537 219	(106 778)	-19,9%
Vote 06 - Financial Services		133 374	146 741	148 682	11 172	59 183	73 648	(14 465)	-19,6%
Vote 07 - Local Economic Development And Planning		30 599	47 614	47 614	1 769	11 789	23 807	(12 018)	-50,5%
Total Expenditure by Vote	2	1 473 990	1 646 928	1 651 869	113 153	636 296	824 174	(187 878)	-22,8%
Surplus/ (Deficit) for the year	2	131 596	182 821	177 880	108 483	216 811	90 701	126 110	139,0%

5.4. Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding)

FS204 Metsimaholo - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - M06 December									
Vote Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
<u>Multi-Year expenditure appropriation</u>	2								
Vote 01 - Executive & Council		–	538	650	–	535	297	238	80%
Vote 02 - Municipal Manager		2 361	3 118	3 118	–	470	1 559	(1 089)	-70%
Vote 03 - Corporate Services		368	1 461	1 461	–	–	731	(731)	-100%
Vote 04 - Social Services		4 547	29 954	35 327	–	619	17 419	(16 800)	-96%
Vote 05 - Technical Services		147 286	271 369	266 996	28 432	62 974	133 385	(70 411)	-53%
Vote 06 - Financial Services		–	402	402	–	–	201	(201)	-100%
Vote 07 - Local Economic Development And Planning		–	1 683	1 683	–	–	841	(841)	-100%
Total Capital Multi-year expenditure	4,7	154 563	308 525	309 637	28 432	64 598	154 433	(89 835)	-58%
<u>Single Year expenditure appropriation</u>	2								
Vote 01 - Executive & Council		–	–	–	–	–	–	–	
Vote 02 - Municipal Manager		763	–	–	–	–	–	–	
Vote 03 - Corporate Services		–	1 103	1 103	–	–	551	(551)	-100%
Vote 04 - Social Services		2 568	13	13	–	–	6	(6)	-100%
Vote 05 - Technical Services		–	–	–	–	–	–	–	
Vote 06 - Financial Services		–	–	–	–	–	–	–	
Vote 07 - Local Economic Development And Planning		–	–	–	–	–	–	–	
Total Capital single-year expenditure	4	3 331	1 115	1 115	–	–	558	(558)	-100%
Total Capital Expenditure		157 894	309 640	310 752	28 432	64 598	154 991	(90 393)	-58%

Capital Expenditure - Functional Classification									
Governance and administration		3 493	8 112	8 224	–	1 005	4 084	(3 080)	-75%
Executive and council		–	538	650	–	535	297	238	80%
Finance and administration		3 493	7 574	7 574	–	470	3 787	(3 317)	-88%
Internal audit								–	
Community and public safety		7 115	14 112	19 485	–	531	9 498	(8 967)	-94%
Community and social services		5 950	545	5 918	–	577	2 715	(2 138)	-79%
Sport and recreation		715	4 641	4 641	–	–	2 321	(2 321)	-100%
Public safety		450	8 603	8 603	–	(46)	4 301	(4 347)	-101%
Housing		–	323	323	–	–	161	(161)	-100%
Health								–	
Economic and environmental services		26 209	82 339	74 620	5 681	7 084	38 141	(31 057)	-81%
Planning and development		–	110	110	–	–	55	(55)	-100%
Road transport		26 209	82 229	74 510	5 681	7 084	38 086	(31 002)	-81%
Environmental protection								–	
Trading services		121 077	203 827	207 173	22 751	55 979	102 643	(46 664)	-45%
Energy sources		28 531	82 533	82 533	8 983	15 876	41 267	(25 390)	-62%
Water management		6 907	36 232	39 578	3 930	8 755	18 845	(10 090)	-54%
Waste water management		85 640	68 885	68 885	9 838	31 259	34 442	(3 184)	-9%
Waste management		–	16 177	16 177	–	88	8 089	(8 000)	-99%
Other		–	1 250	1 250	–	–	625	(625)	-100%
Total Capital Expenditure - Functional Classification	3	157 894	309 640	310 752	28 432	64 598	154 991	(90 393)	-58%
Funded by:									
National Government		141 806	156 165	157 165	28 432	63 106	78 225	(15 120)	-19%
Provincial Government								–	
District Municipality		763	–	–	–	–	–	–	

Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporations, Higher Educational Institutions)		11 882	–	–	–	–	–	–	
Transfers recognised - capital		154 451	156 165	157 165	28 432	63 106	78 225	(15 120)	-19%
Borrowing	6	–	77 504	77 504	–	–	38 752	(38 752)	-100%
Internally generated funds		3 443	75 971	76 083	–	1 492	38 014	(36 521)	-96%
Total Capital Funding		157 894	309 640	310 752	28 432	64 598	154 991	(90 393)	-58%

The total accumulated capital spending for the period ended 31 December 2022, amounted **R64,6 million** which is translated into **21%** of the total capital budget amounting to **R311 million**.

- R 28,432,396 was spend in December 2022 for various projects,
- Capital expenditure for the year **(06 month)** is as follows:
 - Grants spending 40%
 - Borrowing 0%
 - Own funding 2%

5.5. Monthly Budget Statement - Financial Position

FS204 Metsimaholo - Table C6 Monthly Budget Statement - Financial Position - M06 December						
Description	Ref	2021/22	Budget Year 2022/23			
		Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
R thousands	1					
<u>ASSETS</u>						
Current assets						
Cash		1 511 968	58 803	58 803	17 583	58 803
Call investment deposits		41 064	41 516	41 516	167 867	41 516
Consumer debtors		416 513	278 671	278 671	476 379	278 671
Other debtors		947 285	801 521	801 521	976 741	801 521
Inventory		1 732	1 347	1 347	(14 053)	1 347
Total current assets		2 918 561	1 181 856	1 181 856	1 624 518	1 181 856
Non current assets						
Long-term receivables		1 855	45	45	1 855	45
Investments		—	—	—	—	—
Investment property		242 260	238 173	238 173	242 260	238 173
Investments in Associate						
Property, plant and equipment		1 319 636	1 583 572	1 584 684	1 384 234	1 584 684
Biological						
Intangible		2 709	(872)	(872)	2 709	(872)
Other non-current assets		270	4 428	4 428	270	4 428
Total non current assets		1 566 730	1 825 346	1 826 458	1 631 328	1 826 458
TOTAL ASSETS		4 485 291	3 007 202	3 008 314	3 255 846	3 008 314
<u>LIABILITIES</u>						
Current liabilities						
Bank overdraft	-	—	—	—	—	—
Borrowing		38	4 053	4 053	(0)	4 053
Consumer deposits		28 101	28 105	28 105	28 788	28 105

Trade and other payables		1 255 115	961 880	961 880	1 246 651	961 880
Provisions		4 786	4 356	4 356	4 786	4 356
Total current liabilities		1 288 039	998 394	998 394	1 280 225	998 394
Non current liabilities						
Borrowing		–	73 451	73 451	–	73 451
Provisions		140 603	163 833	163 833	140 603	163 833
Total non current liabilities		140 603	237 284	237 284	140 603	237 284
TOTAL LIABILITIES		1 428 643	1 235 678	1 235 678	1 420 829	1 235 678
NET ASSETS	2	3 056 648	1 771 524	1 772 636	1 835 017	1 772 636
<u>COMMUNITY WEALTH/EQUITY</u>						
Accumulated Surplus/(Deficit)		1 621 096	1 588 702	1 588 702	1 835 017	1 588 702
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	1 621 096	1 588 702	1 588 702	1 835 017	1 588 702

5.6. Monthly Budget Statement - Cash Flow

FS204 Metsimaholo - Table C7 Monthly Budget Statement - Cash Flow - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates		191 717	153 091	153 091	10 620	65 303	76 545	(11 243)	-15%
Service charges		943 373	959 588	959 588	40 241	266 446	479 794	(213 348)	-44%
Other revenue		376 435	288 451	288 451	198 462	729 745	144 226	585 519	406%
Transfers and Subsidies - Operational		221 575	7 261	7 261	9 912	33 393	3 630	29 763	820%
Transfers and Subsidies - Capital		180 096	156 165	156 165	10 306	76 622	78 083	(1 461)	-2%
Interest		1 798	–	–	–	–	–	–	
Dividends		123	100	100	–	–	50	(50)	-100%
Payments									
Suppliers and employees		(1 978 347)	(1 270 444)	(1 270 444)	(223 524)	(615 804)	(635 222)	(19 419)	3%
Finance charges		–	(8 032)	(8 032)	–	–	(4 016)	(4 016)	100%
NET CASH FROM/(USED) OPERATING ACTIVITIES		(63 229)	286 179	286 179	46 016	555 705	143 089	(412 615)	-288%
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Decrease (increase) in non-current receivables	-	1 810	(1 810)	–	–	1 855	23	1 833	8123%
Payments									
Capital assets		(157 894)	(309 640)	(309 640)	(28 432)	(64 598)	(154 820)	(90 222)	58%
NET CASH FROM/(USED) INVESTING ACTIVITIES		(156 084)	(311 450)	(309 640)	(28 432)	(62 743)	(154 797)	(92 055)	59%

CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans									
Borrowing long term/refinancing		–	56 000	56 000	–	–	28 000	–	-100%
Increase (decrease) in consumer deposits								–	
Payments									
Repayment of borrowing		(493)	(2 964)	(2 964)	–	(38)	(1 482)	(1 444)	97%
NET CASH FROM/(USED) FINANCING ACTIVITIES		(493)	53 036	53 036	–	(38)	26 518	26 556	100%
NET INCREASE/ (DECREASE) IN CASH HELD		(219 806)	27 765	29 575	17 584	492 924	14 810		
Cash/cash equivalents at beginning:		50 975	66 028	66 028	47 899	137 552	66 028		
Cash/cash equivalents at month/year end:		(168 831)	93 793	95 603		630 476	80 838		

6. Debtors' Analysis

FS204 Metsimaholo - Supporting Table SC3 Monthly Budget Statement - aged debtors - M06 December								
Description R thousands	NT Code	Budget Year 2022/23						
		0-30 Days	31-60 Days	61-90 Days	91-120 Days	Over 120 Days	Total	Total over 90 days
Debtors Age Analysis By Income Source								
Trade Receivables from Exchange Transactions – Water	1200	92 632	35 177	37 115	32 075	1 428 224	1 625 223	1 460 299
Trade Receivables from Exchange Transactions – Electricity	1300	25 685	5 428	4 470	5 656	100 495	141 733	106 151
Receivables from Non-exchange Transactions - Property Rates	1400	22 514	5 799	5 104	4 899	178 821	217 138	183 720
Receivables from Exchange Transactions - Waste Water Management	1500	9 872	2 548	1 708	1 525	64 881	80 534	66 406
Receivables from Exchange Transactions - Waste Management	1600	6 689	2 468	2 365	2 310	96 707	110 540	99 017
Receivables from Exchange Transactions - Property Rental Debtors	1700					–	–	–
Interest on Arrear Debtor Accounts Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1810	16 074	7 450	6 790	6 110	283 271	319 695	289 381
	1820					–	–	–
Other	1900	3 445	2 117	853	948	133 346	140 709	134 294
Total By Income Source	2000	176 912	60 988	58 404	53 523	2 285 746	2 635 573	2 339 269
2021/22 - totals only							–	–
Debtors Age Analysis By Customer Group								
Organs of State	2200	10 259	2 469	3 237	3 979	48 597	68 540	52 576
Commercial	2300	65 761	13 027	8 714	6 348	175 056	268 905	181 404
Households	2400	100 892	45 493	46 453	43 196	2 062 094	2 298 128	2 105 290
Other	2500					–	–	–
Total By Customer Group	2600	176 912	60 988	58 404	53 523	2 285 746	2 635 573	2 339 269

- The debtor's age analysis for the month of December 2022 is R2.636b (in November R2,583b)
- The age analysis will continue to grow to the extent of non-payment below 100% and by interest charged every month on the arrears.
- Credit control measures must be applied strictly throughout the municipality, regardless of the customer type, whether it be businesses, schools, hospitals, government departments or private households.
- The municipality has in place a detailed Revenue Enhancement Strategy which will be rolled out in this financial year.
- Presentations have been made to the Senior Management and also to managers and the item also served at MAYCO and is to be discussed at the Strategic Session of the Executive Mayor.
- A further presentation will be made to the Council in due course.
- This workshop has been repeatedly postponed and rollout should happen in the 2022/2023 financial year.

6.1.1 Performance of the debtors' book

Debtors growth analysis							
Description R thousands	Budget Year 2022/23						
	June 2022	July 2022	August 2022	September 22	October 22	November 22	December 22
Debtors Growth Analysis							
Gross debtors balance	2 460 430	2 459 810	2 501 071	2 550 590	2 549 369	2 582 727	2 635 573
Net debtor increase / (decrease)	–	(620)	41 261	49 519	(1 220)	33 357	52 847
Percentage increase (decrease)	–	-0,03%	1,68%	1,98%	-0,048%	1,31%	2,04%

- The gross debtors book exceeds R2 billion and the latest amount at end of December 2022 is R2 635 573 228,
- The concentration of the debtors' book is mainly in the category of **household consumers**
- The debtors' book is an accumulation of debt over many years
- The debtors' book will continue to grow for as long as the payment level is below 100%, in addition interest is charged on the outstanding balances which also contributes to the growth in the debtors' book

6.1.2 Impairment of the debtors' book

- The Impairment on the debtors' book as at **30 June 2022** is **R1 867 452 889** and represents **89%** of the gross debtor's book
- Impairment for **six month** totalled **R22 821 841**
- Total impairment as at **December 2022** is **R1 890 274 729** and represents **71.72%** of the gross debtor's book

6.1.3 Budget implications

- The budget is prepared based on an estimated projection of the payment level and not on the balance of the debtors' book
- The water distribution loss for December 2022 is 3.37%
- Illegal electricity connections must be follow up and actions taken against the consumers

6.1.4 Debt collection Control

- Debt collection control measures are to be applied to all household consumers throughout the municipality
- The municipality does not have sufficient capacity in the debt management department to manage all the household debt.
- The debt management department needs to be further capacitated
- No debt collection control measures in all the areas
- **The consumption of water and the non-payment for water consumption must be address as a matter of urgency.**
- Most Indigent households used more than the 6kl water that they received free, measures to curb the excess water consumption beyond 6kl must be implemented,

6.1.5 Councillors debtor balance and arrears outstanding as at 30 December 2022

Councillor Arrears	Balance
Councillor balances outstanding	R1,322 million
Arrears longer than 3 months	R1,011 million

Municipal Systems Act

A Councillor may not be in arrears to the municipality for rates and service charges for a period longer than 3 months

It is the duty of the chairperson of municipal Councils to take necessary action where the Code of Conduct for Councillors has been breach

6.1.6 Officials balances and arrears as at 30 November 2022

Those officials who have not made arrangements - Deductions of up to 20% are made from their salaries

Official Arrears	Balance
Officials balances outstanding	R3,606 million
Arrears longer than 3 months	R2,894 million

Staffs have been reminded of the requirements of the Municipal Systems Act in that they are not to have arrears for a period longer than 3 months.

- Where arrangements are in place this will be reviewed and the arrangements amounts may be increased. Affordability will be taken into consideration.
- The list of officials owing may be incomplete due to unavailability of residential details. Information is not declared by officials.

Councillors balances outstanding as at 31 December 2022

Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing
CHALALA (MY2534)R1000+C	LJ	Abeyance	-	-	-	-	150 826,12	150 826,12
MOFOKENG D A Mofokeng(MY2548)	ML	Abeyance	-	-	-	-	65 843,84	65 843,84
MOFOKENG D A Mofokeng(MY2548)	ML	Abeyance	-	-	-	-	47 918,48	47 918,48
		sub-total	-	-	-	-	264 588,44	264 588,44

Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing	Remarks
CHALALA (MY2534)R1000+C	LJ	Arrangement	-	-	-	-	5 499,98	5 499,98	Honoured
FOURIE L Day (MY2529)	CK	Arrangement	-	-	-	-	1 888,63	1 888,63	Honoured
MAKHEMA (MY2531)	JM&MH	Arrangement	-	-	-	-	3 228,72	3 228,72	Honoured
MASHININI A M Kumalo(MY2536)	JC	Arrangement	-	-	-	-	20 065,56	20 065,56	Honoured
MOELETSI T G Sehaole(MY2541)	SM	Arrangement	-	-	-	-	18 291,12	18 291,12	Honoured
MOFOKENG L Mthetho(MY2542)	MS	Arrangement	-	-	-	-	39 965,82	39 965,82	Honoured
MOFOKENG S M Mofokeng(MY2545)	AE	Arrangement	-	-	-	-	43 685,01	43 685,01	Honoured
MOFOKENG D A Mofokeng(MY2548)	ML	Arrangement	-	-	-	-	6 388,82	6 388,82	Honoured
MQWATHI (MY2543)	MM	Arrangement	-	-	-	-	13 013,26	13 013,26	Honoured
SOETSANG (MY2546)	JT&TL	Arrangement	-	-	-	-	5 333,14	5 333,14	Honoured
MOSOKWENI(MY2518)	FD	Arrangement	-	-	-	-	32 227,56	32 227,56	Honoured
MOTAUNG (MY2505)R500+CURRENT	TA	Arrangement	-	-	-	-	4 024,49	4 024,49	Honoured

MOTJEANE S M Motjeane(MY2501)	RJ	Arrangement	2 396,08	1 147,15	1 189,38	911,40	164 886,01	170 530,02	Honoured
MTSHALI N M Mtshali(MY2511)	BP	Arrangement	-	-	-	-	23 810,60	23 810,60	Honoured
NKHELOANE M Nkheloane (MY2517)	NE	Arrangement	-	-	-	-	39 038,81	39 038,81	Honoured
RANKOE (MY2538)1248.00*6	TK&F	Arrangement	-	-	1 925,69	-	-	1 925,69	Honoured
TSHONGWE (MY2515)	SL	Arrangement	-	-	-	-	15 891,71	15 891,71	Honoured
MOFOKENG D A Mofokeng(MY2548)	ML	Handed over	-	-	-	-	64 933,52	64 933,52	
NKHELOANE M Nkheloane (MY2517)	NE	Handed over	-	-	-	-	31 627,63	31 627,63	
		sub-total	2 396,08	1 147,15	3 115,07	911,40	533 800,39	541 370,09	

Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing	Remarks
CHALALA (MY2534)R1000+C	LJ	Normal	755,97	574,70	577,68	760,86	954,96	3 624,17	
FOURIE L Day (MY2529)	CK	Normal	2 945,20	2 582,44	3 034,08	2 779,99	1 544,11	12 885,82	
MASHININI A M Kumalo(MY2536)	JC	Normal	16 518,18	16 342,13	16 257,25	15 642,24	669,00	65 428,80	
MASITENG J M Masiteng (MY2540)	PI	Normal	136,24	131,94	131,25	127,07	7 693,90	8 220,40	No Arrangement
MATHE J T Mampana(MY2528)	MA	Normal	482,07	322,20	322,20	322,20	34 336,80	35 785,47	No Arrangement
MOELETSI T G Sehaole(MY2541)	SM	Normal	612,71	608,13	816,95	1 235,84	600,00	3 873,63	
MOFOKENG L Mthetho(MY2542)	MS	Normal	594,48	571,29	566,94	555,27	5 160,01	7 447,99	
MOFOKENG S M Mofokeng(MY2545)	AE	Normal	1 127,09	1 114,17	871,78	1 019,15	5 859,98	9 992,17	

MOTSAPI (MY2532)R345+C	MS	Normal	40 412,52	40 029,81	39 760,26	38 825,40	-	159 027,99	No Arrangement
MQWATHI (MY2543)	MM	Normal	542,42	312,86	312,86	495,66	500,51	2 164,31	
PIENAAR (MY2537)	M&SM	Normal	3 633,53	3 072,93	7 208,35	3 048,19	1 399,51	18 362,51	No Arrangement
DU TOIT (MY2521)	T	Normal	5 137,58	4 722,17	4 718,06	6 879,21	20 348,92	41 805,94	No Arrangement
MAHLAELA (MY2514)	MD	Normal	868,00	863,42	865,61	863,42	22 493,53	25 953,98	No Arrangement
MOSOKWENI(MY2518)	FD	Normal	1 190,61	1 176,55	1 189,59	1 174,08	17 490,62	22 221,45	
NHLAPO L L Nhlapo(MY2504)	PS	Normal	684,32	681,34	984,46	681,34	3 081,18	6 112,64	No Arrangement
TSOTETSI J L Tsotetsi (MY2512)	P	Normal	551,76	544,85	543,78	537,09	90 526,63	92 704,11	No Arrangement
		sub- total	76 192,68	73 650,93	78 161,10	74 947,01	212 659,66	515 611,38	
		TOTAL	78 588,76	74 798,08	81 276,17	75 858,41	1 011 048,49	1 321 569,91	

Officials balances outstanding as at 31 December 2022

Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing	Remarks
MADISHA(A24732)	MD	Abeyance	-	-	-	-	26 170,34	26 170,34	No Arrangement
MOGAPI(4150)R500+C	MP	Abeyance	-	-	-	-	162 620,32	162 620,32	
MOGOTSI(5010) R1300	TM&MM	Abeyance	-	-	-	-	35 766,85	35 766,85	
NDWENI(4153)R200+150	SM	Abeyance	-	-	-	-	14 853,51	14 853,51	
RADEBE(A19118)R500+	KM	Abeyance	-	-	-	-	101 929,23	101 929,23	
RAMAUBANE(0148)	VT&LD	Abeyance	-	-	-	-	35 483,53	35 483,53	
RAMOSITLE_(A60102) R1000+500	MM	Abeyance	-	-	-	-	35 224,54	35 224,54	
SEFATSA W10008(R1215+)	LA	Abeyance	-	-	-	-	46 093,13	46 093,13	
		Sub-total	-	-	-	-	458 141,45	458 141,45	

Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing	Remarks
CHABALALA A10314()	TD	Arrangement	-	-	-	-	15 777,44	15 777,44	Honoured
KHAMBULA(W60107)	ME	Arrangement	-	-	-	-	6 713,17	6 713,17	Honoured
KHOZA (2102)R500+	T	Arrangement	-	-	-	-	15 749,13	15 749,13	Honoured
KOK (1119)(R2500)	TJ	Arrangement	-	-	-	-	30 296,33	30 296,33	Honoured
LENGANA(A02042) R1000	SM	Arrangement	-	-	-	-	1 617,92	1 617,92	Honoured
LEPONESA(1133)R600	LL	Arrangement	-	-	-	-	601,83	601,83	Honoured
LESIYA(A19212)	MA	Arrangement	-	-	-	-	64 328,90	64 328,90	Honoured
MABENA(00119)(ONLY 2000)	MS&SV	Arrangement	-	-	-	-	3 494,42	3 494,42	Honoured
MADISHA(A24732)	MD	Arrangement	-	-	1 157,08	3 893,90	12 403,24	17 454,22	Honoured
MAKHELEDISA (3806)	SJ	Arrangement	-	-	670,51	661,79	12 835,92	14 168,22	Honoured
MALOKA(2561)	MM	Arrangement	-	-	-	-	3 470,35	3 470,35	Honoured
MNGUNI(A47447) CURRENT +R300	NB	Arrangement	-	-	-	-	1 172,17	1 172,17	Honoured

Metsimaholo Local Municipality Mid-Year Budget and Performance Assessment Report

MOFOKENG	TT	Arrangement	-	-	-	-	58 908,45	58 908,45	Honoured
MOGAPI(4150)R500+C	MP	Arrangement	-	-	-	-	10 000,00	10 000,00	Honoured
MOGOTSI(5010) R1300	TM&MM	Arrangement	-	-	-	-	6 720,09	6 720,09	Honoured
MOKOENA (A19174)(R800+)	MS	Arrangement	-	-	-	-	8 184,91	8 184,91	Honoured
MOKOENA (1101)	SJ&SJ	Arrangement	-	-	-	-	21 400,13	21 400,13	Honoured
MOKOENA(1101)	SJ	Arrangement	-	-	-	-	15 495,46	15 495,46	Honoured
MOTSEI A02533(R500+)	TD	Arrangement	-	-	-	-	16 231,69	16 231,69	Honoured
NDWENI(4153)R200+150	SM	Arrangement	-	-	-	-	3 800,19	3 800,19	Honoured
RADEBE(A19118)R500+	KM	Arrangement	-	-	-	-	3 500,00	3 500,00	Honoured
RAMATELETJE 2549	SJ	Arrangement	-	-	-	-	12 478,62	12 478,62	Honoured
RAMAUBANE(0148)	VT&LD	Arrangement	-	-	-	-	10 500,00	10 500,00	Honoured
RAMOSITLE_(A60102) R1000+500	MM	Arrangement	-	-	-	-	17 482,04	17 482,04	Honoured
SEFATSA W10008(R1215+)	LA	Arrangement	-	-	-	-	16 189,46	16 189,46	Honoured
SELIKANE(1712)	MJ	Arrangement	-	-	-	-	4 527,64	4 527,64	Honoured
SETHABELA(A48089)R500+R500	RJ	Arrangement	-	-	-	-	17 151,77	17 151,77	Honoured
THULO(3525)CURRENT	T	Arrangement	-	-	-	-	9 973,35	9 973,35	Honoured
TOM 00140(R1250)	NE	Arrangement	-	-	-	-	5 257,82	5 257,82	Honoured
TSOTETSI(00114)	TE	Arrangement	-	-	-	-	13 130,41	13 130,41	Honoured
VILAKAZI (B05010)(R1500)	LM	Arrangement	-	-	-	-	1 767,18	1 767,18	Honoured
		Sub-total	-	-	1 827,59	4 555,69	421 160,03	427 543,31	

Account Handed over for debt collection

Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing
CHABALALA A10314(R516.12+C)	TD	Handed over	-	-	-	-	50 121,37	50 121,37
LESIYA(A19212)	MA	Handed over	-	-	-	-	83 083,27	83 083,27
LESIYA(A19212)	MA	Handed over	-	-	-	-	23 040,78	23 040,78
MABITSELA(2508)	NA	Handed over	-	-	-	-	6 712,95	6 712,95

Metsimaholo Local Municipality Mid-Year Budget and Performance Assessment Report

MADISHA(A24732)	MD	Handed over	-	-	-	-	14 021,71	14 021,71
MAKHELEDISA (3806)	SJ	Handed over	-	-	-	-	24 498,90	24 498,90
MNGUNI(1028)	A	Handed over	-	-	-	-	24 729,30	24 729,30
MOGAPI(4150)R500+C	MP	Handed over	-	-	-	-	16 068,47	16 068,47
MOGAPI(4150)R500+C	MP	Handed over	-	-	-	-	14 575,51	14 575,51
MOKOENA (A19174)(R800+)	MS	Handed over	-	-	-	-	11 551,82	11 551,82
MPETJEKANA (A48082)	NS	Handed over	-	-	-	-	8 549,37	8 549,37
RADEBE(A19118)R500+	KM	Handed over	-	-	-	-	67 086,32	67 086,32
RAMATHESELE(A19570)R1000	M	Handed over	-	-	-	-	304,75	304,75
SETHABELA(A48089)R500+R500	RJ	Handed over	-	-	-	-	13 346,86	13 346,86
THAELE_ 1928	TJ	Handed over	-	-	-	-	21 176,39	21 176,39
VILAKAZI (4301)	MC	Handed over	-	-	-	-	22 274,92	22 274,92
		Sub-total	-	-	-	-	401 142,69	401 142,69

No Arrangements made

Name	Initials	Account Type	Current Ageing	30 Days Ageing	60 Days Ageing	90 Days Ageing	120+ Days Ageing	Total Ageing
SEFATSANA (0119)	ET	Normal	2 939,96	2 531,39	2 535,29	2 629,68	136 077,95	146 714,27
SELIANE(BI4738)	RD	Normal	2 030,11	2 551,96	2 415,46	2 792,87	33 488,15	43 278,55
ALBERTS 1030	G&MJ	Normal	1 569,65	1 252,04	1 279,92	1 274,56	10 495,12	15 871,29
CINDI (1132)	MA	Normal	2 560,48	2 957,89	2 971,36	2 199,21	72,48	10 761,42
DLAMINI(A19129)	PR	Normal	835,46	709,08	1 120,38	316,50	-	2 981,42
KASA (1022)	LN	Normal	1 284,26	1 239,12	1 245,08	1 195,58	46 539,81	51 503,85
KHUNONG(5719)	MS	Normal	3 366,56	3 004,30	3 037,89	33,40	-	9 442,15
LEKHOOA (5717)R1000	TG&ME	Normal	1 261,83	1 142,62	959,95	882,65	-	4 247,05
LEKHOOA(5717)	ME	Normal	5 867,87	5 379,05	5 784,53	5 842,76	22 112,21	44 986,42
LETHEA_ 2551(R12000)	MJ	Normal	2 021,55	3 546,35	2 053,70	7 884,31	81 401,09	96 907,00
LETSHWARA_ 0123	DJ	Normal	722,11	737,64	1 310,89	725,01	11 270,17	14 765,82
LUMA A60264	MB	Normal	6 084,58	5 686,24	5 688,90	5 613,25	11 517,59	34 590,56
MACHAEA	PV	Normal	955,47	932,20	929,53	905,79	31 353,82	35 076,81

Metsimaholo Local Municipality Mid-Year Budget and Performance Assessment Report

MANOTO 2601	KD	Normal	631,43	627,19	634,10	629,96	83,03	2 605,71
MASUKU	TL	Normal	1 351,82	1 317,29	1 313,61	1 279,02	40 540,55	45 802,29
MATOBAKO(1744)	KP	Normal	6 328,93	5 979,34	6 007,76	5 938,68	-	24 254,71
MAZIBUKO_(AMPT 00150)(R600	NE	Normal	704,48	639,82	2 307,92	1 592,39	11 830,74	17 075,35
MBABALE (1927- R300PM)	JM	Normal	622,38	707,45	687,95	997,11	47 375,32	50 390,21
MBANGENI	NNR	Normal	5 553,90	5 448,21	5 442,66	5 345,41	58 916,41	80 706,59
MOFOKENG_00141	TE	Normal	748,23	628,43	1 257,50	800,23	569,39	4 003,78
MOFOLO(PMPU7060)R700.00	ST&MA	Normal	556,52	541,93	548,95	533,96	23 785,54	25 966,90
MOKATSANE(A30110)	DM	Normal	121 443,08	3 814,88	6 188,57	2 973,78	7 017,64	141 437,95
MOKHALI 0122	MJ&MS	Normal	1 631,31	1 376,94	1 343,38	1 171,67	-	5 523,30
MOKHELE A15891	SR	Normal	1 569,14	1 099,81	1 057,54	974,34	34 372,18	39 073,01
MOKOENA	TS	Normal	755,15	876,33	942,47	164,95	-	2 738,90
MOKOENA (1101)	SJ&SJ	Normal	1 638,37	1 293,03	1 287,48	1 259,65	32 565,24	38 043,77
MOKOENA(1101)	SJ&SJ	Normal	2 237,96	1 896,34	2 080,39	1 990,54	43 729,58	51 934,81
MOKOENA(2418)	P	Normal	1 380,73	1 054,59	1 045,92	1 036,73	5 663,28	10 181,25
MOKOENA_ & MOKWENA(4103)	ND&ME	Normal	6 966,90	6 876,83	6 866,22	5 488,98	-	26 198,93
MOKOTEDI	T	Normal	1 232,69	1 189,32	1 192,70	303,20	-	3 917,91
MOLETSANE(1604)R11904.89)	LM	Normal	4 784,93	5 339,75	4 531,52	5 918,91	42 251,69	62 826,80
MOLOI_(A10121)	MS	Normal	827,11	796,01	1 111,37	892,82	55 993,67	59 620,98
MONAHENG	D	Normal	830,22	822,71	832,63	195,63	-	2 681,19
MOTLOUNG_AMPT	KJ	Normal	896,37	868,39	856,24	962,35	8 986,13	12 569,48
MOTLOUNG_PO3000	MS	Normal	1 347,90	1 396,20	1 418,00	808,47	21 194,13	26 164,70
MOTLOUNG_W10030	S&NJ	Normal	3 822,75	3 757,39	4 560,12	11 121,09	10 614,89	33 876,24
MOTSEI 1006	ZA	Normal	2 069,06	5 555,38	2 062,14	1 592,39	40 607,00	51 885,97
MOTSEI(02533)	NR&TD	Normal	3 370,00	3 288,93	3 683,46	3 325,46	7 008,57	20 676,42
MOTSIE_00119	JM	Normal	545,70	549,53	426,76	516,30	23 762,88	25 801,17
MOTSITSI A24725(CANCL20191	MJ	Normal	898,99	891,48	1 233,32	887,80	41 694,11	45 605,70
MOTSOENENG 1171	MJ	Normal	2 287,58	1 507,64	3 025,99	1 505,14	51 430,15	59 756,50
MTHETHO_(00130)	PB	Normal	1 939,79	1 770,02	3 165,24	1 598,80	-	8 473,85
MTHETHO(00130)	PB	Normal	725,46	708,39	721,76	700,45	16 704,95	19 561,01

Metsimaholo Local Municipality Mid-Year Budget and Performance Assessment Report

MTJELEBE A19120	LJ	Normal	970,88	813,46	1 434,79	997,75	1 236,51	5 453,39
NDUMO 0127	LL	Normal	2 488,04	3 579,07	4 532,58	2 764,12	11 811,14	25 174,95
NGQUBA(A42517)	T	Normal	1 113,16	1 099,38	1 114,46	1 101,89	19 254,66	23 683,55
NKODI(1113)	TS	Normal	2 674,27	2 848,02	5 069,12	4 308,83	2 008,56	16 908,80
NTLIZIYOTYE	N	Normal	1 357,74	1 037,48	1 054,92	501,78	-	3 951,92
RADEBE 1698	JJ	Normal	833,34	802,34	819,42	820,37	1 405,85	4 681,32
RADEBE(3840) & MASOMBUKA	PM&NB	Normal	803,55	783,10	781,29	761,87	24 035,55	27 165,36
RAMAELE	T	Normal	1 555,52	1 360,07	1 532,69	1 671,12	14 697,64	20 817,04
RAMAELE(0124)	TD&ME	Normal	2 804,08	3 196,39	4 155,35	3 113,58	474,48	13 743,88
RAMATHESELE(A19570)R1000	M	Normal	677,08	758,87	666,44	691,20	79 000,84	81 794,43
SEBABOLE (2509)R800	SMD	Normal	444,00	433,54	259,31	252,13	12 793,98	14 182,96
SIMELANE A24736(R830)	LA	Normal	908,27	732,34	692,37	593,26	22 021,19	24 947,43
SOLANI (080018)	NM	Normal	903,40	896,21	895,44	1 712,13	59 894,60	64 301,78
THAELE 1928	TJ	Normal	1 931,82	1 906,90	1 928,13	1 903,53	17 449,13	25 119,51
TSHABALALA(3806)	PP	Normal	1 823,05	1 765,44	2 114,79	1 650,05	78 218,10	85 571,43
TSHABANGU 00126	MS	Normal	2 286,43	2 046,69	1 970,01	15 408,50	125 025,83	146 737,46
TSOTETSI(00114)	TE&LM	Normal	2 007,69	1 841,95	2 658,71	1 645,03	3 829,88	11 983,26
TSOTETSI(00114)	TE	Normal	-	-	-	-	1 000,00	1 000,00
ZAKWE A024	OL	Normal	1 070,82	751,11	758,19	754,11	5 935,35	9 269,58
KOK (1119)(R2500)	TJ	Normal	2 657,65	2 997,76	3 913,83	1 841,97	6 570,39	17 981,60
MABENA(00119)(ONLY 2000)	MS&SV	Normal	5 155,76	4 758,58	4 786,60	4 724,39	37 935,79	57 361,12
MOFOKENG	TT	Normal	634,93	573,01	962,10	631,96	6 600,62	9 402,62
MOGOTSI(5010) R1300	TM&MM	Normal	2 771,50	3 216,89	2 998,14	5 526,95	31 263,79	45 777,27
MOKOENA (1101)	SJ&SJ	Normal	1 342,75	1 006,26	1 205,46	976,61	14 663,61	19 194,69
MOKOENA(1101)	SJ	Normal	1 301,88	1 001,57	1 108,14	954,34	6 348,70	10 714,63
MOTSEI A02533(R500+)	TD	Normal	44,41	46,96	61,76	62,53	6 359,43	6 575,09
NDWENI(4153)R200+150	SM	Normal	489,68	466,84	626,71	380,57	165,72	2 129,52
RAMOSITILE (A60102) R1000+50	MM	Normal	1 162,74	1 835,97	960,18	469,00	973,22	5 401,11
SEFATSA W10008(R1215+)	LA	Normal	807,72	-	-	-	1 215,00	2 022,72
TOM 00140(R1250)	NE	Normal	1 647,47	2 215,56	3 910,14	2 222,24	9 325,89	19 321,30

VILAKAZI (B05010)(R1500)	LM	Normal	1 098,74	2 257,96	1 086,57	1 080,85	1 178,23	6 702,35
		Sub-total	256 967,14	141 319,15	153 224,19	154 324,44	1 613 719,14	2 319 554,06

TOTAL 256 967,14 141 319,15 155 051,78 158 880,13 2 894 163,31 3 606 381,51

7 Creditors' Analysis

FS204 Metsimaholo - Supporting Table SC4 Monthly Budget Statement - aged creditors - M06 December							
Description R thousands	NT Code	Budget Year 2022/23					
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	Total
Creditors Age Analysis By Customer Type							
Bulk Electricity	0100	—	—	—	—	—	—
Bulk Water	0200	4	1 736	—	820	39 781	42 341
PAYE deductions	0300	—	—	—	—	—	—
VAT (output less input)	0400	—	—	—	—	—	—
Pensions / Retirement deductions	0500	—	—	—	—	—	—
Loan repayments	0600	—	—	—	—	—	—
Trade Creditors	0700	3 422	1 275	1 059	3 675	—	9 431
Auditor General	0800	—	—	—	—	—	—
Other	0900	—	—	—	—	7 172	7 172
Total By Customer Type	1000	3 426	3 011	1 059	4 495	46 953	58 943

The overall outstanding creditors amount to R58,9 million, this balance is owed for different type of goods and services procured in rendering services delivery.

7.1.1. Government Garage:

A total of R 5 300 000 has been paid from February 2022 until December 2022.

7.1.2. Department of Water Affairs

The monthly current account is paid.

A formal agreement for payments of the arrear amount is not yet signed. There is a dispute on the account and our legal department has been engaging with them to reach a solution.

7.1.3. Compensation Commissioner

The Municipality is in process with arrangements in order to settle the outstanding account

8. Investment Portfolio analysis

FS204 Metsimaholo - Supporting Table SC5 Monthly Budget Statement - investment portfolio - M06 December

Investments by maturity Name of institution & investment ID	Ref	Period of Investment	Type of Investment	Variable or Fixed interest rate	Interest Rate ³	Opening balance	Interest to be realised	Partial / Premature Withdrawal (4)	Investment Top Up	Closing Balance
R thousands		Yrs/Months								
<u>Municipality</u>										
ABSA			CALL	V	7,65	25 833	328	-35 000	52 300	43 461
NEDBANK			CALL	V	6,75	10 513	88		9 000	19 601
FNB			CALL	V	5,25	6 862	80		10 000	16 942
STANDARD			CALL	V	5,5	12 130	161	-25 000	30 000	17 291
INVESTEC			CALL	V	5,35	28 662				28 662
STANDARD			32days	F	6,3	5 580	33			5 613
STANDARD			32days	F	7,3	5 000				5 000
FNB			32days	F	7,3	15 111	85			15 196
NEDBANK			32days	F	7,3	5 030	31			5 061
INVESTEC			32DAYS	F	6,1	11 768	230			11 998
Municipality sub-total						126 489	1 036	-60 000	101 300	168 825
TOTAL INVESTMENTS AND INTEREST	2					126 489	1 036	-60 000	101 300	168 825

9. Allocation and grant receipts and expenditure

9.1. Table SC6 Monthly Budget Statement - transfers and grant receipts

FS204 Metsimaholo - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
<u>RECEIPTS:</u>	1,2								
<u>- Operating Transfers and Grants</u>									
National Government:		225 757	253 559	253 559	79 780	183 117	126 779	56 337	44,4%
Equitable Share		214 398	246 748	246 748	79 150	175 382	123 374	52 008	42,2%
Expanded Public Works Programme Integrated Grant		1 614	1 523	1 523	257	739	761	(22)	-2,9%
Local Government Financial Management Grant		2 650	2 750	2 750	58	5 856	1 375	4 481	325,9%
Municipal Disaster Relief Grant		—	—	—	—	—	—	—	
Municipal Infrastructure Grant		2 354	2 538	2 538	315	1 140	1 269	(129)	-10,2%
Water Services Infrastructure Grant	3	4 741	—	—	—	—	—	—	
Provincial Government:		—	—	—	—	—	—	—	
Other transfers and grants [insert description]								—	
District Municipality:		152	—	—	—	—	—	—	
<i>Specify (Add grant description)</i>		152	—	—	—	—	—	—	
Other grant providers:		10 322	450	450	222	302	225	77	34,0%
<i>Local Government Water and Related Service SETA</i>		518	450	450	222	302	225	77	34,0%
<i>Unspecified</i>		9 804	—	—	—	—	—	—	

Total Operating Transfers and Grants	5	236 230	254 009	254 009	80 002	183 418	127 004	56 414	44,4%
<u>Capital Transfers and Grants</u>									
National Government:		77 712	106 165	106 165	20 455	37 779	53 083	(15 304)	-28,8%
Integrated National Electrification Programme Grant		30 400	35 631	35 631	8 983	15 500	17 816	(2 316)	-13,0%
Municipal Infrastructure Grant		35 053	48 218	48 218	10 596	17 622	24 109	(6 488)	-26,9%
Water Services Infrastructure Grant		12 259	22 316	22 316	876	4 657	11 158	(6 501)	-58,3%
Provincial Government:		–	–	–	–	–	–	–	
<i>Infrastructure Grant</i>		–	–	–	–	–	–	–	
District Municipality:		763	–	–	–	–	–	–	
<i>Specify (Add grant description)</i>		763	–	–	–	–	–	–	
Other grant providers:		96 830	50 000	50 000	8 962	28 656	25 000	3 656	14,6%
<i>[insert description]</i>								–	
<i>Production</i>		84 948	50 000	50 000	8 962	28 656	25 000	3 656	14,6%
<i>Unspecified</i>		11 882	–	–	–	–	–	–	
Total Capital Transfers and Grants	5	175 305	156 165	156 165	29 417	66 434	78 083	(11 648)	-14,9%
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	411 535	410 174	410 174	109 419	249 853	205 087	44 766	21,8%

9.2. Table SC7(1) Monthly Budget Statement - transfers and grant expenditure

FS204 Metsimaholo - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands									
<u>EXPENDITURE</u>									
<u>Operating expenditure of Transfers and Grants</u>									
National Government:		25 322	185 150	187 091	12 228	60 230	92 853	(32 623)	-35,1%
Equitable Share		18 695	178 335	180 276	12 069	57 225	89 445	(32 220)	-36,0%
Expanded Public Works Programme									14,1%
Integrated Grant		1 607	1 524	1 524	122	869	762	107	
Local Government Financial Management Grant		2 627	2 750	2 750	(212)	369	1 375	(1 006)	-73,2%
Municipal Infrastructure Grant		2 393	2 541	2 541	249	1 767	1 270	496	39,1%
District Municipality:		152	–	–	–	–	–	–	
<i>Specify (Add grant description)</i>		152	–	–	–	–	–	–	
Other grant providers:		10 209	776	776	31	199	388	(188)	-48,6%
<i>Local Government Water and Related Service SETA</i>		405	776	776	31	199	388	(188)	-48,6%
<i>Unspecified</i>		9 804	–	–	–	–	–	–	
Total operating expenditure of Transfers and Grants:		35 683	185 926	187 867	12 259	60 429	93 241	(32 811)	-35,2%
<u>Capital expenditure of Transfers and Grants</u>									
National Government:		141 806	156 165	157 165	28 432	63 106	78 225	(15 120)	-19,3%
Integrated National Electrification Programme Grant		26 564	35 631	35 631	8 983	15 431	17 816	(2 384)	-13,4%
Municipal Infrastructure Grant		30 330	48 218	49 218	9 611	16 416	24 252	(7 836)	-32,3%

Regional Bulk Infrastructure Grant		73 253	50 000	50 000	8 962	26 899	25 000	1 899	7,6%
Water Services Infrastructure Grant		11 659	22 316	22 316	876	4 360	11 158	(6 798)	-60,9%
District Municipality:		763	–	–	–	–	–	–	
Specify (Add grant description)		763	–	–	–	–	–	–	
Other grant providers:		11 882	–	–	–	–	–	–	
Production		2 568	–	–	–	–	–	–	
Unspecified		9 314	–	–	–	–	–	–	
Total capital expenditure of Transfers and Grants		154 451	156 165	157 165	28 432	63 106	78 225	(15 120)	-19,3%
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		190 134	342 091	345 032	40 691	123 535	171 466	(47 931)	-28,0%

10. Councillor allowances and employee benefits

FS204 Metsimaholo - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - M06 December									
Summary of Employee and Councillor remuneration R thousands	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
	1	A	B	C					
<u>Councillors (Political Office Bearers plus Other)</u>									
Basic Salaries and Wages		14 247	12 958	12 958	1 209	7 256	6 479	777	12%
Cellphone Allowance		1 822	2 140	2 140	156	938	1 070	(132)	-12%
Other benefits and allowances		3 314	5 771	5 771	297	1 762	2 886	(1 123)	-39%
Sub Total - Councillors		19 384	20 870	20 870	1 662	9 957	10 435	(478)	-5%
% increase	4		7,7%	7,7%					
<u>Senior Managers of the Municipality</u>	3								
Basic Salaries and Wages		2 110	11 956	11 956	468	2 638	5 978	(3 340)	-56%
Pension and UIF Contributions		0	35	35	1	3	17	(14)	-83%
Motor Vehicle Allowance		20	264	264	50	250	132	118	89%
Cellphone Allowance		3	217	217	7	35	108	(73)	-68%
Sub Total - Senior Managers of Municipality		2 134	12 471	12 471	526	2 926	6 236	(3 310)	-53%
% increase	4		484,5%	484,5%					
<u>Other Municipal Staff</u>									
Basic Salaries and Wages		190 551	259 673	259 673	15 836	95 665	129 837	(34 172)	-26%
Pension and UIF Contributions		33 168	36 116	36 116	2 861	17 348	18 058	(710)	-4%
Medical Aid Contributions		20 963	22 873	22 873	1 796	10 804	11 436	(633)	-6%
Overtime		28 720	30 249	30 249	2 474	15 394	15 125	269	2%

Performance Bonus		15 482	16 160	16 160	973	7 646	8 080	(434)	-5%
Motor Vehicle Allowance		23 562	28 193	28 193	1 938	12 039	14 096	(2 058)	-15%
Cellphone Allowance		1 660	1 893	1 893	136	836	947	(110)	-12%
Housing Allowances		1 725	2 893	2 893	132	795	1 447	(651)	-45%
Other benefits and allowances		5 646	10 507	10 507	544	3 220	5 254	(2 034)	-39%
Payments in lieu of leave		4 649	1 707	1 707	231	1 542	853	688	81%
Long service awards		3 787	2 750	2 750	61	1 443	1 375	68	5%
Post-retirement benefit obligations	2	3 586	9 323	9 323	197	1 131	4 662	(3 530)	-76%
Sub Total - Other Municipal Staff		333 499	422 336	422 336	27 178	167 864	211 170	(43 306)	-21%
% increase	4		26,6%	26,6%					
Total Parent Municipality		355 016	455 677	455 677	29 366	180 747	227 840	(47 094)	-21%
			28,4%	28,4%					
TOTAL SALARY, ALLOWANCES & BENEFITS		355 016	455 677	455 677	29 366	180 747	227 840	(47 094)	-21%
% increase	4		28,4%	28,4%					
TOTAL MANAGERS AND STAFF		335 632	434 807	434 807	27 704	170 790	217 405	(46 616)	-21%

Notes:

- Other municipal employee cost for the month ended December 2022 totalled R27 million which represents 7% of the remuneration budget,
- The accumulated remuneration cost amount to R 167 million which represents 41% of the overall remuneration budget,
- The average staff complements in terms of MLM Payroll and HR administrative records totals to **734** the number exclude councillors and temporary employee.
- Five (5) employees resigned during the month December 2022,
- An amount of **R58.7 million** is budgeted for critical vacancies for this year. Provision made for the Municipal Manager and five Directors amount to R10.1 million.
- No employees were appointed in December 2022.

10.1. Overtime analysis

The schedule below is an analysis of the overtime for the period of **December 2022 per department.**

Description	Basic Salaries	Overtime	Overtime as % of basic salaries
Office of the Speaker	459 377	15 125	3%
Office of the Mayor	350 178	15 755	4%
Office of the Council Whip	134 418	0	0
Municipal Manager	1 249 269	0	0
Corporate Services	1 373 594	0	0
Social services	5 047 498	835 174	17%
Technical Services	3 764 168	1 066 363	28%
Financial services	2 249 594	57 555	3%
LED	1 093 962	0	0
Grand total	15 722 062	1 989 973	13%

Salaries and overtime (excluding Councillors)

Normal salary	R15 722 062
Overtime	R 1 989 974
Total	<u>R17 712 036</u>

Overtime % of normal salary 12.66% (Prev. month 13.97%)

Overtime incurred is to be monitored on an on-going basis by the Technical and Social Services directorates so as to reduce overtime to 5% of normal salaries.

This has not been achieved and is being reported every month.

The schedule below is an analysis of the overtime for the period of December 2022 per department.

Description	Basic Salaries	Overtime	Overtime as % of basic salaries
Office of the Speaker	459 377	15 125	3%
Office of the Mayor	350 178	15 755	4%
Office of the Council Whip	134 418	0	0
Municipal Manager	1 249 269	0	0
Corporate Services	1 373 594	0	0
Social services	5 047 498	835 174	17%
Technical Services	3 764 168	1 066 363	28%
Financial services	2 249 594	57 555	3%
LED	1 093 962	0	0
Grand total	15 722 062	1 989 973	13%

11. Material variances to the service delivery and budget implementation plan

FS204 Metsimaholo - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - M06 December													
Description	Ref	Budget Year 2022/23											
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget
Cash Receipts By Source													
Property rates		10 703	10 954	11 039	11 114	10 873	10 620	12 758	12 758	12 758	12 758	12 758	(129 091)
Service charges - electricity revenue		14 620	25 180	48 500	26 615	21 191	22 441	35 598	35 598	35 598	35 598	35 598	(336 534)
Service charges - water revenue		11 244	13 885	13 254	15 337	16 649	13 856	35 586	35 586	35 586	35 586	35 586	(262 153)
Service charges - sanitation revenue		2 192	2 566	2 358	2 424	2 883	2 497	5 751	5 751	5 751	5 751	5 751	(43 674)
Service charges – refuse		1 386	1 523	1 449	1 504	1 445	1 447	3 032	3 032	3 032	3 032	3 032	(23 913)
Rental of facilities and equipment		531	531	545	490	648	523	514	514	514	514	514	(5 839)
Dividends received		–	–	–	–	–	–	8	8	8	8	8	(42)
Fines, penalties and forfeits		5	1	0	10	13	5	925	925	925	925	925	(4 659)
Licences and permits		–	2	–	1	1	–	9	9	9	9	9	(47)
Transfers and Subsidies - Operational		–	11 387	–	12 094	–	9 912	605	605	605	605	605	(36 418)
Other revenue		48 511	188 991	107 801	123 070	60 133	197 933	22 590	22 590	22 590	22 590	22 590	(839 387)
Cash Receipts by Source		89 193	255 019	184 946	192 659	113 835	259 234	117 374	117 374	117 374	117 374	117 374	(1 681 757)
Other Cash Flows by Source													–
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		–	31 430	8 113	7 160	19 612	10 306	13 014	13 014	13 014	13 014	13 014	(141 691)

Metsimaholo Local Municipality Mid-Year Budget and Performance Assessment Report

Borrowing long term/refinancing		–	–	–	–	–	–	4 667	4 667	4 667	4 667	4 667	(23 333)
Total Cash Receipts by Source		89 193	286 450	193 059	199 819	133 447	269 540	135 055	135 055	135 055	135 055	135 055	(1 846 781)
Cash Payments by Type													–
Employee related costs		203	60 254	31 387	30 418	36 062	29 823	37 515	37 515	37 515	37 515	37 515	(375 723)
Remuneration of councillors													–
Interest paid		–	–	–	–	–	–	669	669	669	669	669	(3 347)
Bulk purchases – Electricity		47 546	48 814	51 076	27 876	28 464	27 614	29 197	29 197	29 197	29 197	29 197	(377 372)
Acquisitions - water & other inventory		18 571	18 821	19 096	19 807	19 913	20 916	22 986	22 986	22 986	22 986	22 986	(232 055)
Contracted services		4 424	3 773	4 705	8 282	5 756	3 873	9 853	9 853	9 853	9 853	9 853	(80 076)
General expenses		63 480	84 359	102 050	99 572	53 677	141 120	5 987	5 987	5 987	5 987	5 987	(574 192)
Cash Payments by Type		134 225	216 022	208 315	185 954	143 872	223 346	106 206	106 206	106 206	106 206	106 206	(1 642 765)
Other Cash Flows/Payments by Type													–
Capital assets		–	8 701	11 821	13 913	1 731	28 432	25 803	25 803	25 803	25 803	25 803	(193 615)
Repayment of borrowing		12	13	13	–	–	–	247	247	247	247	247	(1 272)
Other Cash Flows/Payments		–	108	–	–	441	178	333	333	333	333	333	(2 394)
Total Cash Payments by Type		134 237	224 843	220 148	199 867	146 044	251 956	132 590	132 590	132 590	132 590	132 590	(1 840 046)
NET INCREASE/(DECREASE) IN CASH HELD		(45 044)	61 607	(27 089)	(48)	(12 598)	17 584	2 465	2 465	2 465	2 465	2 465	(6 735)
Cash/cash equivalents at the month/year beginning:		117 479	72 435	134 042	106 953	106 905	94 307	111 891	114 356	116 820	119 285	121 750	124 214
Cash/cash equivalents at the month/year end:		72 435	134 042	106 953	106 905	94 307	111 891	114 356	116 820	119 285	121 750	124 214	117 479

12. Capital programme performance

12.1. Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December

FS204 Metsimaholo - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
<u>Capital expenditure on new assets by Asset Class/Sub-class</u>									
<u>- Infrastructure</u>		134 474	160 753	158 271	23 917	51 860	79 756	27 897	35,0%
Roads Infrastructure		25 166	46 229	43 883	5 681	7 084	22 528	15 444	68,6%
<i>Roads</i>		26 209	46 229	43 883	5 681	7 084	22 528	15 444	68,6%
<i>Road Furniture</i>		(1 043)	–	–	–	–	–	–	
Electrical Infrastructure		29 402	39 631	39 631	8 983	15 732	19 816	4 084	20,6%
<i>MV Networks</i>		1 726	2 000	2 000	–	301	1 000	699	69,9%
<i>LV Networks</i>		26 564	35 631	35 631	8 983	15 431	17 816	2 384	13,4%
<i>Capital Spares</i>		1 113	2 000	2 000	–	–	1 000	1 000	100,0%
Water Supply Infrastructure		5 934	22 693	22 557	290	2 145	11 312	9 168	81,0%
<i>Water Treatment Works</i>		–	10 000	10 000	–	–	5 000	5 000	100,0%
<i>Distribution</i>		603	–	–	–	–	–	–	
<i>Capital Spares</i>		5 332	12 693	12 557	290	2 145	6 312	4 168	66,0%
Sanitation Infrastructure		73 971	52 000	52 000	8 962	26 899	26 000	(899)	-3,5%
<i>Reticulation</i>		718	–	–	–	–	–	–	
<i>Waste Water Treatment Works</i>		73 253	50 000	50 000	8 962	26 899	25 000	(1 899)	-7,6%
<i>Capital Spares</i>		–	2 000	2 000	–	–	1 000	1 000	100,0%
Information and Communication Infrastructure		–	200	200	–	–	100	100	100,0%

<i>Distribution Layers</i>	–	200	200	–	–	100	100	100,0%
<u>Community Assets</u>	3 804	3 400	8 774	–	577	4 143	3 566	86,1%
Community Facilities	3 804	3 400	8 774	–	577	4 143	3 566	86,1%
Cemeteries/Crematoria	3 430	40	5 413	–	577	2 462	1 886	76,6%
Purrs	–	500	500	–	–	250	250	100,0%
Public Open Space	374	2 860	2 860	–	–	1 430	1 430	100,0%
<u>Other assets</u>	–	1 200	1 200	–	88	600	512	85,3%
Operational Buildings	–	1 200	1 200	–	88	600	512	85,3%
Municipal Offices	–	200	200	–	88	100	12	11,7%
Capital Spares	–	1 000	1 000	–	–	500	500	100,0%
<u>Intangible Assets</u>	–	200	200	–	–	100	100	100,0%
Servitudes							–	
Licences and Rights	–	200	200	–	–	100	100	100,0%
Computer Software and Applications	–	200	200	–	–	100	100	100,0%
<u>Computer Equipment</u>	792	950	950	–	–	475	475	100,0%
Computer Equipment	792	950	950	–	–	475	475	100,0%
<u>Furniture and Office Equipment</u>	266	1 594	1 594	–	–	797	797	100,0%
Furniture and Office Equipment	266	1 594	1 594	–	–	797	797	100,0%
<u>Machinery and Equipment</u>	1 999	7 849	7 949	–	(46)	3 949	3 995	101,2%
Machinery and Equipment	1 999	7 849	7 949	–	(46)	3 949	3 995	101,2%
<u>Transport Assets</u>	450	21 709	21 709	–	–	10 855	10 855	100,0%
Transport Assets	450	21 709	21 709	–	–	10 855	10 855	100,0%
<u>Land</u>	–	300	300	–	–	150	150	100,0%

Land		–	300	300	–	–	150	150	100,0%
Total Capital Expenditure on new assets	1	141 786	197 955	200 946	23 917	52 479	100 824	48 346	48,0%

12.2. Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M06 December

FS204 Metsimaholo - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing assets by asset class - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
<u>Capital expenditure on renewal of existing assets by Asset Class/Sub-class</u>									
<u>- Infrastructure</u>		12 802	86 527	89 009	2 012	6 890	43 884	36 994	84,3%
Roads Infrastructure		–	25 000	25 000	–	–	12 500	12 500	100,0%
Roads		–	25 000	25 000	–	–	12 500	12 500	100,0%
Electrical Infrastructure		171	40 400	40 400	–	144	20 200	20 056	99,3%
MV Networks		–	21 000	21 000	–	–	10 500	10 500	100,0%
Capital Spares		171	19 400	19 400	–	144	9 700	9 556	98,5%
Water Supply Infrastructure		972	3 561	6 043	1 137	2 386	2 401	15	0,6%
Water Treatment Works		–	1 000	1 000	–	–	500	500	100,0%
Distribution		972	2 361	4 843	1 137	2 386	1 801	(585)	-32,5%
Capital Spares		–	200	200	–	–	100	100	100,0%
Sanitation Infrastructure		11 659	17 566	17 566	876	4 360	8 783	4 423	50,4%
Waste Water Treatment Works		11 659	15 316	15 316	876	4 360	7 658	3 298	43,1%
Capital Spares		–	2 250	2 250	–	–	1 125	1 125	100,0%

<u>Community Assets</u>		2 568	–	–	–	–	–	–	
Community Facilities		2 568	–	–	–	–	–	–	
Halls		2 365	–	–	–	–	–	–	
Purls		202	–	–	–	–	–	–	
<u>Intangible Assets</u>		–	300	300	–	–	150	150	100,0%
Servitudes								–	
Licences and Rights		–	300	300	–	–	150	150	100,0%
Computer Software and Applications		–	300	300	–	–	150	150	100,0%
<u>Computer Equipment</u>		540	1 165	1 165	–	470	583	113	19,4%
Computer Equipment		540	1 165	1 165	–	470	583	113	19,4%
<u>Furniture and Office Equipment</u>		198	693	693	–	–	347	347	100,0%
Furniture and Office Equipment		198	693	693	–	–	347	347	100,0%
<u>Machinery and Equipment</u>		–	100	100	–	–	50	50	100,0%
Machinery and Equipment		–	100	100	–	–	50	50	100,0%
<u>Transport Assets</u>		–	6 853	6 865	–	535	3 430	2 895	84,4%
Transport Assets		–	6 853	6 865	–	535	3 430	2 895	84,4%
Total Capital Expenditure on renewal of existing assets	1	16 108	95 638	98 132	2 012	7 894	48 443	40 548	83,7%

12.3. Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06
December

FS204 Metsimaholo - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
<u>Repairs and maintenance expenditure by Asset Class/Sub-class</u>									
<u>- Infrastructure</u>		39 551	26 034	29 254	400	3 217	13 519	10 301	76,2%
Roads Infrastructure		12 963	8 859	8 859	317	766	4 429	3 663	82,7%
<i>Road Structures</i>		12 818	8 638	8 638	317	743	4 319	3 576	82,8%
<i>Road Furniture</i>		144	221	221	–	23	110	87	79,1%
Storm water Infrastructure		372	1 150	1 150	–	–	575	575	100,0%
<i>Storm water Conveyance</i>		372	1 150	1 150	–	–	575	575	100,0%
Electrical Infrastructure		11 235	8 357	11 577	–	2 827	4 680	1 853	39,6%
<i>Power Plants</i>		8 064	5 667	10 687	–	2 503	3 935	1 432	36,4%
<i>HV Substations</i>		13	900	100	–	–	183	183	100,0%
<i>MV Networks</i>		–	90	90	–	–	45	45	100,0%
<i>LV Networks</i>		3 158	1 700	700	–	324	517	193	37,3%
Water Supply Infrastructure		4 389	1 710	1 710	3	4	855	851	99,5%
<i>Distribution</i>		4 389	1 710	1 710	3	4	855	851	99,5%
Sanitation Infrastructure		10 591	5 958	5 958	81	(380)	2 979	3 359	112,8%
<i>Pump Station</i>		3 595	4 134	4 134	–	–	2 067	2 067	100,0%
<i>Reticulation</i>		6 056	664	664	–	(696)	332	1 028	309,5%
<i>Waste Water Treatment Works</i>		940	1 160	1 160	81	316	580	264	45,6%
<u>Community Assets</u>		286	1 402	1 252	–	8	651	644	98,8%
Community Facilities		286	1 140	1 140	–	8	570	563	98,7%

Halls		–	161	161	–	–	81	81	100,0%
Cemeteries/Crematoria		–	122	122	–	–	61	61	100,0%
PurIs		163	486	486	–	–	243	243	100,0%
Taxi Ranks/Bus Terminals		123	371	371	–	8	186	178	95,9%
Sport and Recreation Facilities		–	262	112	–	–	81	81	100,0%
Outdoor Facilities		–	262	112	–	–	81	81	100,0%
Other assets		511	2 496	2 496	–	189	1 248	1 059	84,9%
Operational Buildings		511	2 496	2 496	–	189	1 248	1 059	84,9%
Municipal Offices		511	2 196	2 196	–	189	1 098	909	82,8%
Yards		–	300	300	–	–	150	150	100,0%
Intangible Assets		–	1 000	1 000	–	249	500	251	50,2%
Servitudes								–	
Licences and Rights		–	1 000	1 000	–	249	500	251	50,2%
Computer Software and Applications		–	1 000	1 000	–	249	500	251	50,2%
Furniture and Office Equipment		7 028	6 608	6 608	1	1 217	3 304	2 087	63,2%
Furniture and Office Equipment		7 028	6 608	6 608	1	1 217	3 304	2 087	63,2%
Machinery and Equipment		9	888	888	1	11	444	433	97,6%
Machinery and Equipment		9	888	888	1	11	444	433	97,6%
Transport Assets		5 048	9 019	9 044	88	2 152	4 516	2 364	52,3%
Transport Assets		5 048	9 019	9 044	88	2 152	4 516	2 364	52,3%
Total Repairs and Maintenance Expenditure	1	52 433	47 447	50 542	490	7 043	24 182	17 139	70,9%

12.4. Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December

FS204 Metsimaholo - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
<u>Depreciation by Asset Class/Sub-class</u>									
- Infrastructure		58 548	53 864	53 864	-	-	26 932	26 932	100,0%
Roads Infrastructure		11 441	16 900	16 900	-	-	8 450	8 450	100,0%
Roads		192	14 923	14 923	-	-	7 462	7 462	100,0%
Road Structures		11 249	1 977	1 977	-	-	988	988	100,0%
Storm water Infrastructure		4 565	1 000	1 000	-	-	500	500	100,0%
Drainage Collection		233	-	-	-	-	-	-	
Storm water Conveyance		4 332	1 000	1 000	-	-	500	500	100,0%
Electrical Infrastructure		10 805	12 787	12 787	-	-	6 393	6 393	100,0%
HV Substations		1 481	1 543	1 543	-	-	771	771	100,0%
HV Switching Station		-	44	44	-	-	22	22	100,0%
HV Transmission Conductors		-	122	122	-	-	61	61	100,0%
MV Substations		23	1 648	1 648	-	-	824	824	100,0%
MV Switching Stations		44	57	57	-	-	29	29	100,0%
MV Networks		6 596	3 663	3 663	-	-	1 831	1 831	100,0%
LV Networks		2 660	5 410	5 410	-	-	2 705	2 705	100,0%
Capital Spares		-	300	300	-	-	150	150	100,0%
Water Supply Infrastructure		24 458	15 094	15 094	-	-	7 547	7 547	100,0%
Dams and Weirs		-	1	1	-	-	1	1	100,0%
Boreholes		20	1	1	-	-	0	0	100,0%
Reservoirs		1 850	3 695	3 695	-	-	1 848	1 848	100,0%

<i>Pump Stations</i>	455	17	17	–	–	9	9	100,0%
<i>Water Treatment Works</i>	466	–	–	–	–	–	–	
<i>Distribution</i>	21 666	11 064	11 064	–	–	5 532	5 532	100,0%
<i>PRV Stations</i>	–	17	17	–	–	8	8	100,0%
<i>Capital Spares</i>	–	300	300	–	–	150	150	100,0%
<i>Sanitation Infrastructure</i>	7 215	6 805	6 805	–	–	3 403	3 403	100,0%
<i>Pump Station</i>	3 526	0	0	–	–	0	0	100,0%
<i>Reticulation</i>	3 512	5 659	5 659	–	–	2 829	2 829	100,0%
<i>Waste Water Treatment Works</i>	177	1 146	1 146	–	–	573	573	100,0%
<i>Solid Waste Infrastructure</i>	66	1 268	1 268	–	–	634	634	100,0%
<i>Landfill Sites</i>	66	1 268	1 268	–	–	634	634	100,0%
<i>Coastal Infrastructure</i>	–	10	10	–	–	5	5	100,0%
<i>Sand Pumps</i>	–	10	10	–	–	5	5	100,0%
<u>Community Assets</u>	5 131	5 194	5 194	–	–	2 597	2 597	100,0%
<i>Community Facilities</i>	1 703	2 179	2 179	–	–	1 089	1 089	100,0%
<i>Halls</i>	529	1 251	1 251	–	–	625	625	100,0%
<i>Centres</i>	–	209	209	–	–	104	104	100,0%
<i>Fire/Ambulance Stations</i>	22	–	–	–	–	–	–	
<i>Museums</i>	17	–	–	–	–	–	–	
<i>Libraries</i>	–	141	141	–	–	71	71	100,0%
<i>Cemeteries/Crematoria</i>	47	318	318	–	–	159	159	100,0%
<i>Public Open Space</i>	601	69	69	–	–	34	34	100,0%
<i>Nature Reserves</i>	–	43	43	–	–	21	21	100,0%
<i>Public Ablution Facilities</i>	71	69	69	–	–	35	35	100,0%
<i>Markets</i>	4	53	53	–	–	27	27	100,0%
<i>Stalls</i>	–	10	10	–	–	5	5	100,0%
<i>Taxi Ranks/Bus Terminals</i>	411	–	–	–	–	–	–	
<i>Capital Spares</i>	–	16	16	–	–	8	8	100,0%
<i>Sport and Recreation Facilities</i>	3 428	3 015	3 015	–	–	1 508	1 508	100,0%

Indoor Facilities							–	
Outdoor Facilities	3 428	3 015	3 015	–	–	1 508	1 508	100,0%
Investment properties	31	899	899	–	–	449	449	100,0%
Revenue Generating	31	896	896	–	–	448	448	100,0%
Improved Property	31	896	896	–	–	448	448	100,0%
Non-revenue Generating	–	3	3	–	–	1	1	100,0%
Unimproved Property	–	3	3	–	–	1	1	100,0%
Other assets	1 580	3 795	3 795	–	–	1 897	1 897	100,0%
Operational Buildings	1 295	3 694	3 694	–	–	1 847	1 847	100,0%
Municipal Offices	827	3 611	3 611	–	–	1 806	1 806	100,0%
Pay/Enquiry Points	194	–	–	–	–	–	–	
Workshops	176	35	35	–	–	18	18	100,0%
Yards	98	–	–	–	–	–	–	
Stores	–	48	48	–	–	24	24	100,0%
Housing	285	101	101	–	–	50	50	100,0%
Staff Housing	285	101	101	–	–	50	50	100,0%
Intangible Assets	923	2 964	2 964	–	–	1 482	1 482	100,0%
Servitudes							–	
Licences and Rights	923	2 964	2 964	–	–	1 482	1 482	100,0%
Computer Software and Applications	713	2 098	2 098	–	–	1 049	1 049	100,0%
Unspecified	210	866	866	–	–	433	433	100,0%
Computer Equipment	960	1 700	1 700	–	–	850	850	100,0%
Computer Equipment	960	1 700	1 700	–	–	850	850	100,0%
Furniture and Office Equipment	455	1 816	1 816	–	–	908	908	100,0%
Furniture and Office Equipment	455	1 816	1 816	–	–	908	908	100,0%

<u>Machinery and Equipment</u>		3 192	10 369	10 369	–	–	5 184	5 184	100,0%
Machinery and Equipment		3 192	10 369	10 369	–	–	5 184	5 184	100,0%
<u>Transport Assets</u>		1 968	5 678	5 678	–	–	2 839	2 839	100,0%
Transport Assets		1 968	5 678	5 678	–	–	2 839	2 839	100,0%
Total Depreciation	1	72 789	86 278	86 278	–	–	43 140	43 140	100,0%

12.5. Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M06 December

FS204 Metsimaholo - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing assets by asset class - M06 December									
Description	Ref	2021/22	Budget Year 2022/23						
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %
R thousands	1								
<u>Capital expenditure on upgrading of existing assets by Asset Class/Sub-class</u>									
<u>- Infrastructure</u>		–	16 047	11 674	2 503	4 225	5 724	1 499	26,2%
Roads Infrastructure		–	5 420	47	–	–	268	268	100,0%
<i>Roads</i>		–	5 420	47	–	–	268	268	100,0%
Electrical Infrastructure		–	1 000	1 000	–	–	500	500	100,0%
<i>HV Substations</i>		–	1 000	1 000	–	–	500	500	100,0%
Water Supply Infrastructure		–	9 627	10 627	2 503	4 225	4 956	732	14,8%
<i>Pump Stations</i>		–	3 627	4 627	2 503	4 225	1 956	(2 268)	-116,0%
<i>Distribution</i>		–	6 000	6 000	–	–	3 000	3 000	100,0%
Total Capital Expenditure on upgrading of existing assets	1	–	16 047	11 674	2 503	4 225	5 724	1 499	26,2%

13. Performance Assessment Report

The assessment of the service delivery performance (budget) of the municipality for the first six months of the 2022/23 financial year was undertaken in line with the above legislative requirements and as part of the municipality's internal performance management processes (PMS).

The assessment included a detailed review of:

- the actual performance of each Directorate and Cluster for the period 1 July to 31 December 2022 against the performance targets approved for the 2022/23 Service Delivery and Budget Implementation Plan (SDBIP)
- The actual Mid- Year Performance of each Directorate/Cluster against the Service Delivery targets contained in the approved 2021/2022 SDBIP is attached as Annexure A to this report. Annexure A reflects average performance in terms of achieving quarterly targets set by Directorates and Clusters in the 2022/2023 SDBIP.

14. Progress on 2021/2022 Draft Annual Report

- The 2021/2022 Draft Annual Report has been compiled and submitted to the Auditor General in August 2022 for audit purpose, in compliance with the guidelines issued by the National Treasury as per MFMA Circular No. 63 of September 2012.
- The 2021/2022 Draft Annual Report will be tabled by the Executive Mayor in Council before the end of January 2022 to ensure compliance with section 127(2) of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003).
- Subsequent to the tabling of the 2021/2022 Draft Annual Report in Council by the Executive Mayor, the report will then be referred to the Municipal Public Accounts Committee (MPAC) to do Oversight and further processing in accordance with section 129 of the MFMA.

15 Quality Certificate

I, **L.M.A Mofokeng**, the Municipal Manager of **Metsimaholo Local Municipality**, hereby certify that:

Mid-Year Budget and Performance Assessment for the period of 1 July 2022 to 31 December 2022 has been prepared in accordance with the Municipal Finance Management Act, No. 56 of 2003 and Municipal Budget and Reporting Regulations Notice 393 of 2009.

Advocate LMA Mofokeng
Municipal Manager
Metsimaholo Local Municipality, FS 204